DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 61 Section 1 September 11,1925

SECRETARY MELLON ON TAX CUT

The high points of the administration's tax-reduction program were revealed by Secretary of the Treasury Mellon when he returned from his vacation September 10. In substance, they are: Reduction of the surtax rates to a maximum of 20 per cent; abolishment of the estate tax; elimination of the nuisance taxes; repeal of the income tax publicity section, and limitation of the issuance of tax-exempt securities. That program will be recommended informally to the House ways and means committee when it meets at Washington next month to begin the preparation of the tax bill, and in all probability will be included in Mr. Mellon's annual report to Congress in December. (Press, Sept. 11.)

QUAIL DUTY CUT ASKED

Recommendations to President Coolidge for a reduction in the rate of import duty on quail, under the flexible provisions of the tariff act, seem assured as a result of the hearing held September 10 by the Tariff Commission. Investigation of the tariff on quail was undertaken by the commission on the application of E. Lee LeCompte, Game Warden of Maryland, for a cut of fifty per cent, in the duty on these birds, which is now 50 cents each. (Press, Sept. 11.)

WEATHER FORECASTING

A Northfield, Minn., dispatch to the press to-day says: "Meteorologists would be able to forecast seasonal weather changes, accurately telling, for instance, when dry crop periods or snowy winters are coming, under a plan before the American Astronomical Society convention September 10. Prof. O. J. Lee, of Yerkes Observatory, Williams Bay, Wis., proposes indexing the solar system whereby scientists and weather observers may exchange information as to the sun's appearance on certain days and prevailing weather conditions. They could then prepare charts showing daily areas of sun spots, number of solar prominences, areas of excessive heat, magnetic fluctuations on the sun, and measurements of the total radiation. Information from this code would be used with readings on barometric pressure and temperatures to make the forecasts, said Professor Lee."

FARM EQUIPMENT STATISTICS

Tractors lead farm-equipment sales throughout the first half of 1925, as shown by the Research Department of the National Association of Farm Equipment Manufacturers, in Chicago, which surveyed its officials who are heads of most of the 200-odd firms making up its membership and selling through some 21,000 dealers to the farmers. Plow and tillage toolmakers report the first half of the year ahead of 1924, and the tendency toward bigger equipment to eliminate man and the horse labor is more marked than at any time in the history of the tractor's development. Oliver Chilled Plow Works reports 20 per cent increase. One great company estimates its two-row cultivator business 50 per cent ahead of last year. The American Seeding Machine Company reports 33 1-3 per cent increase over 1924 in grain drill business. (Press, Sept. 11.)

Section 2

Food Costs

The United States Department of Labor, through the Bureau of Labor Statistics, has completed the compilations showing changes in the retail cost of food in 23 of the 51 cities included in the Bureau's report. During the month from July 15 to August 15, 1925, 17 of the 23 cities showed increases as follows: Portland, Me., 3 per cent; Boston, Buffalo, Charleston,S.C., Manchester, New York, and Scranton, 2 per cent; Bridgeport, Denver, Fall River, Memphis, New Haven, Norfolk, Richmond, Rochester, and Salt Lake City, 1 per cent; and Atlanta less than five-tenths of 1 per cent. Six cities decreased: Cleveland, Columbus, and Kansas City, 1 per cent; and Indianapolis, Mobile, and St. Louis less than five-tenths of 1 per cent. For the year period, August 15, 1924 to August 15, 1925, all of the 23 cities showed increases as follows: Buffalo and Memphis 15 per cent; Atlanta, Norfolk, Salt Lake City, and Scranton, 14 per cent; Kansas City, Rochester, and St. Louis, 13 per cent; Bridgeport, Charleston, S.C.,Mobile and Richmond, 12 per cent; Boston, Cleveland, Denver, Indianapolis, New Haven and New York, 11 per cent; and Columbus, Fall River, Manchester and Portland, Me., 10 per cent. As compared with the average cost in the year 1913, the retail cost of food on August 15, 1925 was 69 per cent higher in Richmond; 67 per cent in Buffalo, 66 per cent in Scranton; 65 per cent in Boston; 64 per cent in Charleston, S.C., 63 per cent in New York and St. Louis; 62 per cent in Atlanta; 61 per cent in Cleveland, 58 per cent in Manchester and New Haven; 57 per cent in Fall River; 56 per cent in Indianapolis; 55 per cent in Kansas City; 54 per cent in Memphis; 46 per cent in Denver; and 42 per cent in Salt Lake City.

Mississippi Products

An editorial in Manufacturers Record for September 10 says: "No better illustration of the awakening spirit of the entire South in its determination to bring about a larger development could be found than the story of how Mississippi has carried direct into the heart of the great dairy interests of Wisconsin the facts as to what Mississippi is, what it has and what it can do in the way of diversified agriculture, climate, health and all other things which combine to make possible the highest development of civilization. Under the guidance of Lieutenant Governor Murphree a large number of Mississippi people, in a special train of nine Pullman coaches, have been touring through Wisconsin, exhibiting in special cars the diversified agricultural,mineral and industrial products of the State. This was a great move. It is already producing remarkable results in turning the thought of Wisconsin people to Mississippi. It was an 'exposition on wheels,' and only through the eye can the people of the North and West be made to fully understand what the South has on which to base a development greater than any other part of the country has ever known. The Southern Exposition in New York started a great movement toward the South. It has already carried to one Florida city over $5,000,000, and this 'exposition on wheels' which Mississippi sent through Wisconsin will doubtless carry many times that amount to the State of Mississippi in the coming years. In expositions of this kind the South should learn a lesson and utilize every possible opportunity to make exhibits of its resources in keeping with their extent and variety."

New Jersey Potato Crop

An Elmer, N.J., dispatch to the press of September 10 states that South Jersey white potato growers dropped more than $1,000,000 in the business this year in comparison with their average receipts. With a five-year average of $1,500,000, they have received less than a half million

this year, and the crop virtually is all marketed. The sudden break in the price on top of the light crop has left the majority of the growers with fertilizer bills to pay from other crops.

Prices in France

The increase in wholesale prices in France which was noted in June continued during July, according to the official index number compiled by the French Statistical Bureau and transmitted to the Bankers Trust Company of New York by its French information service. This official index number which is calculated on a basis of 100 in July 1914 for the average price of 45 different articles out of which 20 represent food stuffs, rose from 554 at the end of June to 569 at the end of July. The cost of food rose from 470 in May to 486 in June to 497 in July, while the industry and raw materials number rose from 584 in May and 614 in June to 632 in July. Retail prices however showed a slight decrease in July according to the official index number for Paris which is based on the retail prices of 13 essential articles, i.e. bread, meat, lard, butter, eggs, milk, cheese, potatoes, beans, sugar, oil, kerosene and methylated spirits and which fell from 422 in June to 421 in July. A year ago the wholesale food index number was 491; the wholesale industry number was 539, and the retail price index number was 360.

Raw Material Imports

The September 7 issue of The Trade Record of the National City Bank of New York presents a study of increase of manufacturers' demand for the classes of raw material which they find it necessary to draw from the outside world. The review says: "Wool, rubber, cotton, silk, and the new substitute 'rayon', hides and skins, furs, vegetable fibres, tobacco, copper, and tin are drawn largely from abroad and in nearly all of these important articles the importations of the fiscal year 1925 show larger quantities than in the preceding year despite the fact that the prices which the importers must pay are materially higher than in the preceding year. Take rubber for instance, in which the extreme advance in prices might be expected to minimize the quantity brought from abroad, the total imports of the fiscal year 1925 were 802 million pounds against 617 millions in the fiscal year 1924, while the sums paid for imported rubber in 1925 were 235 million dollars against 155 millions in the fiscal year 1924....Silk is another evidence of the determination of the buying public to have what it wants and to demand that the manufacturers supply it irrespective of cost. Raw silk import prices at the present time are about double those of the pre-war period, yet the quantity imported in the fiscal year 1925 was 59 million pounds against 46 millions in the preceding year, and the value in 1925 353 million dollars against 350 millions in 1924, and of 'rayon', the substitute for raw silk, 10 million pounds in 1925 against 7 millions in 1924. Hides and skins, which this greatest agricultural country of the world brings from abroad in great quantities, show imports of 387 million pounds in 1925 against 365 millions in the preceding year, and the import value in 1925 is 93 million dollars against 81 millions last year. People will have their cigarettes irrespective of where the material originates, and the quantity of 'cigarette leaf' tobacco imported in the fiscal year 1925 was 46 million pounds against 21 millions in the preceding year and the value 40 million dollars against 18 millions in 1924. Cotton, of which we are by far the largest producers, showed an increase in quantity entering the country in 1925, totaling 155 million pounds against 146 millions in the preceding year, and the value of the 1925 imports 51 million dollars against 43 millions in 1924. Wool,

coming chiefly from Australia, Argentina, Uruguay, and China, shows a total of 284 million pounds imported in 1925 against 239 millions in the preceding year....."

Section 3

Department of Agriculture

Theo. H. Price, in Commerce and Finance for September 9, writes: "In urging the Chicago Board of Trade to adopt methods that would limit fluctuations in the value of grain and narrow the price range the Secretary of Agriculture, Mr. Jardine, makes it plain that he regards speculation as undesirable. The same view is to be inferred from a statement recently issued by the Bureau of Agricultural Economics of the Department of Agriculture in regard to the fortnightly cotton crop estimates that have called forth so many protests. These estimates are defended upon the ground that they stabilize or paralyze the market by their frequency and so deprive the speculator of his opportunity. In both cases disparagement of speculation and the speculator is plainly connoted by the context, and unless the Secretary of Agriculture and the Bureau of Agricultural Economics have employed language to conceal their thoughts it is evident that in the realm of their economic idealism the speculator is an unwelcome and unnecessary intruder. The same view is held or affected by many politicians, as well as some business men and bankers, and to describe a man as a 'professional speculator' is to injure his reputation with those who call themselves conservatives. Is this attitude warranted? Does it reflect a rational understanding of the facts? If not, we may be sure that, like all accepted error, it will do harm and react to the injury of everyone concerned. In attempting to answer these questions the candid-minded student will first of all admit that any belief that is widely held generally has at least half a truth for its basis even though it be fallacious. In this case the half-truth by which judgment is confused is the assumption that gambling and speculation are identical. Although it is not clear that gambling is immoral or even unmoral, it is generally agreed that it is a waste of time, that it is uneconomic because it presupposes getting something for nothing, and that it often tempts men to risk more than they can afford to lose. For these reasons gambling is usually reprehended, and some governments or legislatures have prohibited it....But it is also axiomatic that there must be some one to whom the risks of life can be shifted or through whom they can be distributed if they become extra-hazardous, and it is just here that the speculator steps in. Until the weather ceases to vary and humanity ceases to be capricious or changeable he will be a necessity because he performs an essential service. A world without him is economically and metaphysically unthinkable, and we may be sure that every effort to thwart his operations will fail because society itself would be disrupted if he ceased to function....To pass laws or adopt methods that restrict the freedom of the markets will only result in diminishing the number of those who are willing to underwrite these hazards. The result will be much the same as if the Government undertook to fix the rates for fire insurance. From some States in which that was attempted the companies retired and until the objectionable laws were repealed or declared unconstitutional property owners could not obtain indemnity. Because of the efforts that are being made to stabilize values, throttle speculation, and discredit the speculator, similar conditions are developing in the cotton and grain markets. Let us have an end of them and the hypocritical affectation that speculation is wrong or undesirable. It is only undesirable when it is unintelligent, and it has never yet been possible to protect

men against the consequences of their own ignorance. We are all speculators, and our success depends upon the intelligence with which we assume or try to guard against the risks of life."

Section 4

MARKET QUOTATIONS

Farm Products Sept.10: Grain prices quoted September 10: No.1 dark northern Minneapolis $1.49 to $1.66. No.2 red winter Chicago $1.73; St. Louis $1.72 to $1.76; Kansas City $1.70. No.2 hard winter Chicago $1.56 1/2; St. Louis $1.59; Kansas City $1.48 to $1.62. No.2 mixed corn Chicago 98¢; Kansas City 93¢; No.3 mixed corn Minneapolis 89¢. No.2 yellow corn Chicago 99¢; Kansas City 99¢. No.3 yellow corn Chicago 98¢; Minneapolis 93 1/2¢. No.2 white corn Chicago 98 1/2¢; St. Louis 97¢; Kansas City 93 1/2¢. No.3 white oats Chicago 40 1/4¢; Minneapolis 36 1/2¢; St.Louis 41¢; Kansas City 41¢.

Chicago hog prices closed at $13.25 for the top and $11 to $13 for the bulk. Medium and good beef steers $7.25 to $14.75; butcher cows and heifers $3.75 to $12.50; feeder steers $6.50 to $8.75; light and medium weight veal calves $11 to $14; fat lambs $14 to $16; feeding lambs $14 to $15.85; yearlings $9.75 to $12.75 and fat ewes $4.50 to $8.25.

Wealthy apples from eastern and midwestern States ranged mostly around $1.25 to $1.50 per bushel basket. Illinois Jonathans sold at $1.75 in Chicago. Maine sacked Irish Cobblers ruled $2.15 to $2.35 per 100 pounds in eastern cities and $1.55 to $1.60 f.o.b. Presque Isle. Virginia yellow sweet potatoes declined 25¢ to 50¢ per barrel in leading markets to a closing range of $3.75 to $4.75. Eastern onions weakened slightly, yellows from New York and Massachusetts jobbing at $2 to $2.75 per 100 pound sack. Delaware Concord grapes held steady at 75¢ to $1 per 12-quart basket in eastern cities. Maryland and Pennsylvania Elberta peaches firm at $3.25 to $4 per six-basket carrier and bushel basket in a few eastern markets.

Closing prices on 92 score butter: New York 47¢; Chicago 45 1/4¢; Philadelphia 48¢; Boston 47¢.

Middling spot cotton in 10 designated spot markets up 28 points, closing around 23.21¢ per lb. New York October future contracts advanced 24 points, closing at 23.54¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept.10,	Sept. 9,	Sept. 10, 1924
20 Industrials	143.83	142.40	101.13
20 R.R. stocks	102.40	102.75	88.92

(Wall St. Jour., Sept. 11.)

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Vol.XVIII, No. 62 Section 1 September 12, 1925.

BUSINESS CONDITIONS Surface indications of definite improvement in the Nation's business position were confirmed in observations made public last night in a survey by the Federal Reserve Board, which was described by economists as the most optimistic of the kind it has issued in several years. Government economists asserted there could no longer be any doubt as to the general improvement throughout the commercial world and insisted that the progress thus made in the United States had been greater than in any other major country. The reserve board's review was confined to the United States but it went at length into all phases of the improvement, declaring: "The course of business in recent months has been characterized by a rise in prices, an upturn in industrial production after several months of decline, a continued growth in building construction, and an increase in the volume of commodity distribution. This increase in business activity has reflected a sustained demand by domestic consumers, both rural and urban, and by foreign purchasers of American products, particularly grains and cotton . With commodity distribution in relatively large volume, stocks of commodities have continued to be at a comparatively constant level,..." .

FREIGHT RATES A Chicago dispatch to the press to-day says: "Railroad security holders September 11 were brought into the Interstate Commerce Commission hearing on the petition of the western roads for a 5 per cent freight-rate increase. Grenville Clark, New York attorney for ten emergency committees of security holders, announced that, in introducing witnesses to show the position of the security owners, recommendation would be made for a 5 per cent freight-rate increase for the western carriers and an increase greater than 5 per cent for the Northwestern railroads, which, he declared, were entitled to special relief...."

CANADIAN GRAIN RATES An Ottawa dispatch to the press of September 12 states that the application of the Canadian Pacific Railway to the Board of Railway Commissioners for suspension of the order lowering freight rates on Pacific export grain will be given a public hearing on September 29, when a similar application by the Montreal Board of Trade also will be heard. The applications ask that the matter be left in abeyance until such time as the commission shall deal with the entire matter of freight-rate schedules as instructed by Parliament.

RUSSIAN GRAIN CROP The Russian grain crop for this year is estimated at 75,000,000 metric tons, or nearly 3,000,000,000 bushels, according to recent figures received here by the Russian Information Bureau from the Central Statistical Department of the Soviet Union. This is an increase of fifty per cent compared with last year and is above the pre-war production in the present area of the Soviet Union. (Press, Sept. 12.)

Section 2

Public Land Grazing

An editorial in The Western Breeders Journal for August 27 says: "The Senate Committee investigating the public domain situation appears to be giving stockmen of the West every possible opportunity to present their case, and happily the stockmen are apparently taking full advantage of it. Cattlemen and sheepmen both realize that it is a vital question and that now is a crucial time. The public domain matter simply must be settled. The condition of the range itself, and the situation of the man who uses it, both demand a settlement. There is no excuse for the continuance of the present haphazard arrangement, involving, as it does, insecurity and loss for the stockmen and deterioration of the range itself. It isn't business-like. It isn't good public policy. It is rank injustice to the stockman. Stockmen don't want anything at the expense of anyone else. The fact is that a system that would place the stockman in a position of greater security and give his use of the public domain the legality that it now lacks would also have the effect of improving and maintaining in better condition the property of the Government. All over the West stockmen are holding grazing conferences. The Senate committee has already indicated its open-mindedness. The appointment by Secretary Jardine of the well known stockman, Dan Casement, to thoroughly investigate and review the national forest range appraisal report is another sign of progress. All of this activity should bring the whole matter to a head and result in a new deal. Stockmen of the West should stay with it to the end."

Taxation

An editorial in The Wall Street Journal for September 10 says: "Why do politicians and publicists in the West oppose the repeal of the Federal Inheritance Tax? The Chicago Tribune asked that question and answered it by giving a summary of the ideas of selected politicians and publicists. The following is taken from the reasons assigned: 'The corn and cow folk believe that the great estates in the East are largely based upon wealth earned in the West. Raw stuffs of the West are taken East to be processed and marketed, which creates some of the larger fortunes.' Apparently this is a claim that wealth created through the use of raw materials is unjustly acquired and should belong to those who produce the materials from which it is made. If the 'politicians and publicists' referred to should follow out this line of reasoning they would eventually land up in the camp of the union labor leaders who claim that all wealth, including raw materials, belongs to labor. This view arises from a misunderstanding of what are the agencies of production. Labor sees only one. Perhaps the farmer sees only another, but there are four. Land, labor, capital and enterprise or management are all combined in production of any kind. No one of these can be absent any more than a Ford car can run without its four wheels. If a farmer buys a thin steer, puts it on his land, feeds and cares for it, and finally turns it out a finished beef animal worth much more than it cost him the increase is his. Likewise the manufacturer who takes raw materials of any kind and turns them into consumable goods has taken nothing from anybody. Instead, he has given employment to labor and made it capable of a greater purchasing and consuming power and has broadened the market for raw materials which, in the original state, like a carload of wheat in eastern Colorado, are of no value to the consumer. Industry that uses up raw materials is dependent upon large amounts of invested capital, privately owned. Industry can not function without capital any more than the human body without its

blood. Death dues or inheritance taxes simply bleed industry of that which is vital to it, thus decreasing its power to consume raw materials. That is what makes the tax uneconomic. Whatever weakens the consuming power of the user of raw materials must affect those who produce and sell those materials."

Section 3
MARKET QUOTATIONS

Farm Products

Sept.11: Chicago hog prices closed at $13.50 for the top and $11 to $13.20 for the bulk. Medium and good beef steers $7.40 to $14.75; butcher cows and heifers $3.75 to $12.50; feeder steers $6.50 to $8.75; light and medium weight veal calves $11 to $14.25; fat lambs $14 to $16; feeding lambs $14 to $16; yearlings $9.75 to $12.75 and fat ewes $4.50 to $8.25.

New York and Michigan Wealthy apples $1.25 to $1.50 per bushel basket in leading markets. New York Domestic type cabbage declined $5 to $10 in eastern cities to a closing range of $20 to $25 bulk per ton, and $13 to $16 f.o.b. Rochester. Maine Irish Cobbler potatoes were jobbing at $2.15 to $2.40 per 100 pounds in a few cities and sold at $1.55 to $1.60 f.o.b. Presque Isle. Michigan and Ohio Elberta peaches 25¢ to 75¢ lower at $2.75 to $3.25 per bushel basket in the Middle West. New York Elbertas $3 to $3.50 per six-basket carrier in New York City.

Closing prices on 92 score butter: New York 47 1/2¢; Chicago 45 1/4¢; Philadelphia 48 1/2¢; Boston 47¢.

Middling spot cotton in 10 designated spot markets advanced 14 points closing at 23.32¢ per lb. New York October future contracts advanced 13 points, closing at 23.67¢.

Grain prices quoted September 11: No.1 dark northern Minneapolis $1.49 1/2 to $1.66 1/2. No.2 red winter St. Louis $1.71 to $1.73; Kansas City $1.69. No.2 hard winter St. Louis $1.57 1/2 to $1.59; Kansas City $1.54 to $1.60. No.2 mixed corn Chicago 97 1/2¢; Kansas City 92 1/2¢; No.3 mixed corn Minneapolis 89 1/4¢. No.2 yellow corn Chicago 98 1/2¢; St. Louis 99 1/2¢; Kansas City 99¢. No.3 yellow corn Chicago 97 1/4¢; Minneapolis 94¢. No.2 white corn Chicago 98¢; St. Louis 98¢; Kansas City 93¢. No.3 white oats Chicago 39 1/2¢; Minneapolis 37 1/4¢; St.Louis 40¢; Kansas City 41 1/2¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept.11,	Sept.10,	Sept.11,1924
20 Industrials	145.38	143.83	101.79
20 R.R. stocks	102.22	102.40	89.06

(Wall St. Jour., Sept. 12.)

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Vol.XVIII, No. 63 Section 1 September 14, 1925.

VIRGINIA FARM LEADER BACKS RAIL MERGER

Railroad consolidation as tentatively planned by the Interstate Commerce Commission is indorsed by D. H. Barger, president of the Virginia Farm Bureau Federation, in a letter, copies of which were yesterday forwarded to the President and Secretaries Jardine and Hoover. Mr. Barger's letter constituted the first authoritative public expression of agriculture toward the proposed consolidation and at the same time made plain that agriculture did not want any favored treatment, but merely wanted to be considered in its proper place in the country's economic scheme. (Press. Sept. 14.)

COTTON PICKERS FOR NORTH CAROLINA

A Durham, N.C., dispatch to the press of September 14 states that a mobile army of from 10,000 to 15,000 cotton pickers will be organized with the intention of getting the crop out of every field in North Carolina by November 1, Frank D. Grist, State Commissioner of Labor, announces. Mr. Grist and an assistant will go into the field immediately to organize the pickers. In sections where there is a surplus of farm labor, the workers will be gathered up and sent into the big cotton sections. A community system will be used whereby the army will move into one community, pick the cotton there, and then move on to another community. The mobile army is expected not only to provide all necessary labor for picking the phenomenal cotton crop this year, but Mr. Grist believes that the work can be done at a smaller cost than usual.

JAPANESE BEETLE MENACE

A Somerville, N.J., dispatch to the press to-day states that the Japanese beetle has been reported in that vicinity and reglassing of the greenhouses on the James B. Duke estate is being rushed to protect more than 15,000 orchids. These orchids are said to be the only specimens which have grown in this country from seed, eight years having been required to produce a bloom. Two thousand orchids planted two years ago are now only a quarter inch thick.

TOMATO MEN FACE LOSS

A Bridgeton, N.J., dispatch to the press of September 12 states that facing losses of $35,000 to $70,000 on tomatoes, farmers near Bridgeton are searching for a market for their crop. Those who signed contracts with the local canners are receiving at least $20 per ton, a rate of 35 cents per basket. Growers who did not sign and took their chance on open market prices found only 10 cents was offered at the wharf for shipment to Baltimore, and all local factories were loaded with contract tomatoes. The opposite condition prevailed a year ago. Last year's crop was short and prices soared. Many growers broke their contracts and took the higher prevailing prices. The Bridgeton district produced 7,000 acres of tomatoes this year, and the farmers say nearly half the crop is still unsold.

Section 2

Cooperation and Corporation

"It is recognized that if cooperation is to survive, it must render a service equal or superior to corporations. These persons clearly comprehend there is no magic in the term 'cooperation.' There are only two letters different in the words 'cooperation' and 'corporation,' and when we consider the duties each organization must perform to be successful, there is not as much difference between them as there is in their spelling." (Hoard's Dairyman, Sept. 11.)

Cotton Gins Idle

An Austin, Tex., dispatch to the press of September 12 states that more than 1,000 cotton gins in the drought-affected area of Texas will not be operated this year on account of failure of the cotton crop in their respective localities, according to George B. Terrell, State Commissioner of Agriculture. Many of the gins that are running will turn out only a few bales each. In order to handle the large cotton production of other parts of the State many new gins were constructed at the beginning of the season, Mr. Terrell said. Most of them are electrically operated, there having been a great expansion of electric-power transmission all over the State during the year.

Crop Reports

An editorial in The Wall Street Journal for September 11 says: "An increase in wheat and a larger decrease in corn are the main features of the crop report for the past month. So far as production goes the report is better than could be expected. As a price making factor the report hardly points to declines. Drought that so completely destroyed the hopes of a bumper cotton crop the larger acreage justified also made serious inroads in corn. In the Southwest, in particular, what was a brilliant outlook earlier in the season has been drastically cut down. The more northern States also have not escaped the effects of hot, dry weather. Just as the weather forced cotton to a premature ripening so, although in lesser degree, some of the northern corn ripened before it had made a full growth. Based on conditions to September 1, the forecast of corn is 2,885,000,000 bushels against a five-year average production of 2,935,000,000. The difference between the estimated production and the average is not serious, but neither does it add to bearish enthusiasm. The use of corn is more flexible than wheat; whenever it is scarce and high farmers find a way to economize, but the crop is just about average use and for several years the carryover of old corn has been steadily dwindling. It can not be said that we have a large supply of corn for this year. The department finds that in August the spring wheat increased 21,000,000 bushels. According to this estimate, we now have 416,000,000 bushels of winter and 284,000,000 of spring wheat, a total of 700,000,000 bushels. This is 22,000,000 bushels more than the estimate a month ago, and on the face of it might look bearish. Crop experts will look upon the spring wheat estimate as the extreme maximum, but, even so, we are still about 200,000,000 bushels below last year. This spring wheat crop that looks so well includes a large acreage of durum, and throughout the season it has been in pretty good condition. When that is separated there will be about 200,000,000 or 210,000,000 bushels of spring bread wheat. If the total bread wheat were placed at 625,000,000 bushels it would look like a conservative estimate. Another conservative estimate would be 675,000,000 bushels for domestic use, including the usual farm disappearance. It would be a difficult matter to figure the crop at less than 50,000,000 bushels below ordinary requirements. There will be wheat and flour for export. Durum wheat will be exported. Wheat will be

brought from Canada under bond, ground here and the flour exported. There is also a fair-sized carryover of old wheat which, if foreign prices are right, will be called upon. But with all this, the fact remains that we have not raised as much bread wheat as we require. This is a fact from which no bearish argument can be deduced."

Crops and Business

An editorial in The Journal of Commerce for September 11 says: "Crop seasons have now reached the stage that makes possible a fairly accurate estimate of prospective output. Forward looking business interests are accordingly scanning current reports, both Government and private, with care and have already come to the well-founded conclusion that the prospect for large production in rural districts and in consequence strong demand for a variety of manufactured products is distinctly encouraging. True, as The Journal of Commerce pointed out a week ago and as the Department of Agriculture reported on Tuesday, the cotton crop now promises to be somewhat under the rather overoptimistic forecasts that had been going the rounds. The fact remains, however, that with the crop pretty well made the outlook for a crop at least as large as the good one of last year appears to be fairly positive. On Wednesday morning this newspaper reported that its spring wheat correspondents estimated the output of that grain to be slightly in excess of the large crop of last year, and later in the day the Crop Reporting Board at Washington announced that it had reached the same conclusion, placing its estimate of spring wheat production this year at 284,000,000 bushels, as compared to about 283,000,000 bushels last year. The corn crop, due to continued drouth and heat, apparently will not be quite so large as had been expected, but seemingly will be something like 450,000,000 bushels greater than last year....What all this means to business is fairly clear. It has been plain all along that the outlook for the coming autumn and winter depended in rather unusual degree upon crop returns. That this fact has been evident to industrial and trade leaders and that these latter have become greatly encouraged by news that of late has been coming in from rural districts is patent....The fact that the bountiful crops of this season are almost without exception chiefly the result of extended acreage makes the situation a little different from what it otherwise would be and probably not quite as encouraging as it would be had there been a higher per acre yield on a smaller planted area. Still the farmers of the country have large amounts of products for sale; they will in all likelihood be able to sell them at reasonable prices and will accordingly be possessed of very substantial sums of cash to spend in one way or another for manufactured goods. It is, moreover, unlikely that profits in the agricultural districts will not on the average be moderately good on the year's transactions. The danger in the situation--and such situations always carry their quota of hazard--is from the longer time point of view, first, that we may overreach ourselves in an endeavor to get the most out of the opportunities thus offered, and, second, that the farmers themselves may be stimulated to overproduce next year."

Western Freight Rates

An editorial in The Journal of Commerce for September 10 says: "Western railroad companies having decided some time ago to begin a determined drive for higher freight rates, are now being afforded their opportunity to present the facts to the Interstate Commerce Commission. They are telling that body and through it the general public that existing rates are not adequate to provide a reasonable return upon legitimate

investment in properties held for and used in transportation, and, further more, that under present arrangement it is proving impossible for them to keep their facilities abreast with the times. All of this is regrettably and more or less obviously true. It may even be in accord with the facts to assert, as some have been doing, that an indefinite continuation of present conditions would sooner or later bring a number of other receiverships among the transportation companies operating in this general territory, although, as is well known, there is nothing of this sort immediately in prospect....That existing rates under present conditions of costs are not sufficient may be taken as an established fact. Whether a 5 per cent increase in rates or, to speak more accurately, an adjustment of the general rate structure such that a 5 per cent increase in gross revenue would result would in reality solve the problem is another question...."

Section 3

Department of Agriculture

Theo. H. Price, writing in Commerce and Finance for September 9, says: "The widely expressed indignation over the fortnightly reports that are responsible for the disorganization and compulsory idleness from which the world's cotton business is suffering has led the Bureau of Agricultural Economics to issue a statement in which it is asserted that its frequent reports are favored by the growers and the growers' organizations and that they are opposed only by certain dealers, cotton manufacturers and some trade publications. But despite its claim that the farmers approve the plan presently pursued, the bureau appears to favor omitting the bale forecast of the crop prior to August 16 or September 1 and limiting its earlier reports to condition figures only with an estimate of the acreage as of June 25. This proposal impresses us as an attempt to evade the question at issue. The welter of figures, of pars and percentages and yields per acre, through which the trade has recently been dragged, has revealed the mathematical processes of the Crop Estimating Board sufficiently to enable a tyro to calculate the indicated yield if he has the acreage and the condition, and the omission of the bale estimate would speedily be supplied by those who make a business of such matters. The whole question resolves itself into a determination of whether any Government crop estimate during the growing season is desirable. If one Government estimate is worth while, then two would be better, four would be still better and two each weekday with one on Sunday would be ideal....Those who are injured by the fortnightly reports as at present issued, or in any other form in which they may be issued, are the many merchants whose capital and skill are employed in handling and distributing a cotton crop whose value is only exceeded by our corn production. These merchants perform a substantial service and they are not speculators. The profit they earn for the services they perform is a very small one. They have hitherto been able to conduct their business on a narrow margin because the existence of a broad market, fluctuating within comparatively narrow limits, has enabled them to hedge themselves promptly and so avoid the great risks that would otherwise be incidental to the trade. The effect of the fortnightly reports has been to so narrow the future market that the sale or purchase of any considerable quantity of cotton unduly deflects the price level. The result is that the risks of handling cotton have been enormously increased and the cost of distributing the crop has been correspondingly enhanced....The disposition to multiply crop reports that the Department of Agriculture has shown is characteristic of officialdom in the United States. Recently we read that the Department of

Agriculture was considering whether it could so correlate the various factors in the price equation that it could predict the prices at which cotton and some other commodities might sell. The practical merchant will appreciate the absurdity of this suggestion, but it has an appeal nevertheless for those who think that in the field of economics the Government is omnipotent and that it can control prices. These are dangerous fallacies. They grow by what they feed upon, and it is because vital principles, as well as the cost and safety of doing business, are at stake that we have opposed and shall continue to oppose these fortnightly reports."

Section 4

MARKET QUOTATIONS

Farm Products

For the week ended September 11: Grain market easier. Wheat futures about 1 to 2 cents lower than week ago on increased forecasts United States and Canadian production and reports liberal shipments from Russia. Corn about one cent lower with decline in wheat in spite reduction in Government forecast. Oats futures fractionally higher with fair export trade and good demand from elevators.

Hay prices quoted Sept. 11: Boston $26.50; New York $28; Pittsburgh $25; Cincinnati $25; Chicago $25; St. Louis $25.50; Kansas City $17.25; Memphis $25.50. No.1 alfalfa - Kansas City $19.50; Omaha $18; Memphis $25. No.1 prairie Kansas City $11; Omaha $13.75; Chicago $17; St. Louis $15.50; Minneapolis $16.

Chicago hog prices ranged from 5 to 20¢ higher than a week ago, closing at $13.50 for the top and $11 to $13.20 for the bulk. Medium and good beef steers 25¢ to 65¢ higher at $7.40 to $14.75; butcher cows and heifers steady to 75¢ higher at $3.75 to $12.50; feeder steers 25¢ higher at $6.50 to $8.75; light and medium weight veal calves 50¢ to $1 higher at $11 to $14.25; fat lambs 25¢ to 35¢ higher at $14 to $16; feeding lambs 25¢ higher at $14 to $16; yearlings steady at $9.75 to $12.75 and fat ewes steady at $4.50 to $8.25.

Apple prices steady to slightly lower. New York and Michigan Wealthys mostly $1.25 to $1.50 per bushel basket in leading markets. New York type cabbage declined $5 to $10 in eastern cities to a closing range of $20 to $25 bulk per ton, and $13 to $16 f.o.b. Rochester. Potatoes about steady. Maine sacked Irish Cobblers were jobbing at $2.15 to $2.40 per 100 pounds in a few cities and sold at $1.55 to $1.60 f.o.b. Presque Isle. Michigan and Ohio Elberta peaches 25¢ to 75¢ lower at $2.75 to $3.25 per bushel basket in the middle west. New York Elbertas $3 to $3.50 per six-basket carrier in New York City.

Butter markets firm. Hot dry weather has curtailed production and reduced supplies in the markets. Closing prices on 92 score: New York 47 1/2¢; Chicago 45 1/4¢; Philadelphia 48 1/2¢; Boston 47¢.

Wholesale prices at Wisconsin primary markets September 10: Single Daisies 22 3/4¢; Double Daisies 22 1/2¢; Longhorns 23 1/4¢; Square Prints 23 1/2¢.

Average price of Middling spot cotton in 10 designated spot markets advanced 129 points during the week, closing at 23.32¢ per lb. New York October future contracts advanced 128 points, closing at 23.67¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 12,	Sept. 11,	Sept. 12, 1924
20 Industrials	145.95	145.38	101.91
20 R.R. stocks	102.22	102.22	89.45

(Wall St. Jour., Sept. 14.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 64 Section 1 September 15, 1925.

ARMOUR HEAD ON MERGER DECISION F. Edson White, president of Armour and Company, said yesterday, concerning the decision of the Department of Agriculture on the purchase of the Morris & Co. properties by Armour & Co., that "it should reassure the public, particularly livestock producers, that highly competitive conditions exist in the meat packing industry, and no restraints of trade or monopolistic conditions have resulted from our purchase of the properties." The investigation by the department to determine the conditions resulting from the purchase covered thoroughly every phase of the marketing of livestock and the manufacture and distribution of meats and meat food products, he said. (Press, Sept.15.)

FIRESTONE IN RUBBER SUPPLY TRANSACTION An Akron, Ohio, dispatch to the press to-day states that Harvey S. Firestone, president of the Firestone Tire and Rubber Company, is negotiating with large eastern financial interests for financing the proposed new corporation, that will produce rubber under American management in Liberia. The corporation is to be capitalized at $100,000,000, according to present plans, and will be operated as a subsidiary of the Firestone concern. Edwin Barclay, Secretary of State of Liberia, recently approved the leasing of 1,000,000 acres of land in the African republic to Firestone. He is now on his way home to present the document for final approval to his Government. This is regarded as a formality, however, as Barclay had been given authority to make such a lease.

NATION'S TRAFFIC LOSS Two billion dollars - $20 a year for each man, woman and child in the United States - is the price which the country pays in loss of life, accidents, loss of time through congestion, depreciated real estate values, and in many other ways for the lack of properly developed traffic facilities and their control. This estimate, which is four times the waste caused by fire losses annually, is based on data gathered by the Committee on Metropolitan Facilities of the National Conference on Street and Highway Safety. The final report of the committee will be presented to Secretary of Commerce Hoover for transmittal to the second national conference on Street and Highway Safety, which will be called by the Secretary this winter. Frederic A. Delano, chairman of the Washington Federal City committee and a member of the regional planning committee for New York City and environs, is chairman of the committee. The committee on statistics in its report to the 1924 Conference stated that the money loss due to the 22,600 fatal and 678,000 non fatal street and highway accidents in 1923 amounted to no less than $600,000,000. This committee is now at work preparing its report for the 1925 Conference and it has been stated that the estimated money loss due to accidents in 1924 will greatly exceed the record for 1923. According to the Committee on Metropolitan Traffic Facilities however, the loss due to accidents is only a small portion of the actual economic loss due to the inadequacy of streets and highways to accommodate automobile traffic. Data gathered in a large number of cities indicate very clearly that a definite money loss due to congestion and other factors can be calculated with more or less accuracy. (Dept. of Commerce Statement, Sept.15.)

Section 2

Cuban Sugar Tax

A Havana dispatch to the press of September 11 states that following a conference with the Association of Sugar Mill Owners, Secretary of the Treasury Hernandez has ruled that sugar mills in Cuba must pay the 2 per cent tax recently created by the enactment of the Public Works law. The sugar association had sought to have the law abrogated so far as its application/the domestic industry was concerned.

Grain and Exports

An editorial in The Journal of Commerce for September 12 says: "Expert estimates of our grain 'surplus' are said to place it at a figure not far from zero, which means when plainly expressed that we shall not be able to export any considerable amount of cereals. Of course, a good deal of grain will go abroad for geographical or other reasons, but an equal amount will be imported, and the net result will be to leave us about where we were before. It is a situation which is not very different from that which was predicted by President Coolidge some months ago, except that at the present moment it seems to apply only to cereals. We shall have a good export cotton trade and various other products can also be relied on to furnish a basis for shipments to other countries. In foodstuffs, however, the time is probably not far off when the United States will cease to place any great dependence upon foreign shipments. Our exterior business will then necessarily rest upon mining and other natural products and upon manufactured goods, the latter in an increasing degree....."

Grain Trading

An editorial in The Northwestern Miller for September 9 says: "The action of the Chicago Board of Trade in giving an overwhelming majority to the amendment providing for the establishment of a clearing house corporation can be interpreted only as a first and most important victory in the movement to restore future trading to its legitimate field of usefulness and the Chicago board to public confidence. It does not mean that the task is completed, for a clearing house will not by itself serve as full corrective of all faults in the present system. There is even honest difference of view as to just how effectively a clearing corporation will operate under conditions in the Chicago market. The significance of the vote is not, therefore, so much in the act itself as it is in the proof that the conservatively progressive element of the Board of Trade is in the majority, and that this majority realizes the need of immediate and sincere action to curb the force of excessive speculation, eliminate gross manipulation and insure that, as fully as possible, prices for future delivery will fairly reflect supply and demand. The Board of Trade has, in a word, proved that it is not disposed to set itself in contumacious opposition to trade and public sentiment. In making this clear in its first decisive vote it has gone far in forestalling further criticism and reducing the danger of Government action against the whole useful system of trading futures. It is too soon to say that this danger is eliminated, for stupid and ignorant opposition to all grain exchanges will always be a part of the stock in trade of radicals in and out of Congress, and of self-serving devotees of the cause of the farmer. It is, however, fair to assume that this present evidence of willingness to cooperate with Secretary Jardine will lead to further constructive action. The whole process must, of necessity, be experimental. The means by which to regulate future trading to magnify its virtues and minimize its faults can only be found through careful thought and well-considered action. Outside speculation is apparently a necessity for the maintenance

of a free and open market and the accommodation of hedging transactions. How to preserve this speculative trading without making it the major factor, always potentially and frequently actually destructive, is the problem to be solved...."

Muscle Shoals Power — Arrangements were completed at the Muscle Shoals power plant September 11 to increase by 18,000 kilowatts the power now being supplied for commercial use in testing operations of the plant. The increase will make a total of 83,000 kilowatts, provided by the plant, which is within 2,000 kilowatts of the capacity of the temporary connection provided for the commercial outlet of the power. The War Department has been flooded with telegrams from Southern States asking that emergency measures be taken to provide additional power for commercial use, owing to the shortage of power for industrial purposes that has resulted from the prolonged drought. Maj. Gen. Harry Taylor, chief of army engineers, who left last night, said if he found it possible to increase in any way the power now being supplied from the plant he would take immediate steps to have it done. (Press, Sept. 12.)

Packer Merger — An editorial in The Journal of Commerce for September 12 says: "If the present Secretary of Agriculture has made up his mind to dismiss the action initiated by his predecessor with a view to preventing or disrupting a merger of two of the meat packing companies he has probably arrived at a wise decision. No evidence that has yet come to view appears to indicate that the merger in question has in any very material degree altered the competitive situation existing in the meat packing industry or that the welfare of the public has in any way been substantially endangered thereby. The industry is highly centralized in any case both geographically and with respect to ownership. Competition, if (as according to current conceptions) that term implies a division of the business among a considerable number of important interests, has never been particularly characteristic of the meat packing industry anyhow, and it is greatly to be doubted whether the rank and file of the people would have received the service they have if a large degree of concentration had not been the rule. At all events, we shall not make much headway in improving the meat packing situation--if major improvement is urgently needed--unless and until we clarify our thought on this question of monopoly....Even our courts apparently are not clear in their minds with respect to basic principles having to do with such matters. Before we undertake to do very much either in the packing industry or elsewhere to eliminate, limit or control 'monopoly' we ought to get down to hardpan and formulate some definite principles to be used as guides in future action."

Rubber Consumption — In spite of high prices, crude-rubber consumption in the United States during the first seven months of 1925 ran at probably a record rate, the Commerce Department has found in its first attempt to survey the situation. The indicated consumption was 233,875 tons during that period, while for the full year, 1924, a consumption of about 325,000 tons has been indicated. Prices, now ranging about 300 per cent above last year's level, have occasioned agitation in the United States, and representation has been made to the British Government, whose efforts to have lifted restrictions on rubber production in the Eastern Ocean plantation zones have so far been unsuccessful. For the year, 1925, to date, crude rubber consumed in this country has cost approximately $400,000,000, while for the entire year of 1923 it cost only $185,000,000. (Press, Sept. 11.)

Russia's Grain Export

A Berlin dispatch to the press of September 14 states that the official Russian newspaper Ekonomitcheskaya Zhizn reports serious difficulties in Russian industry caused by the shortage of manufactured goods. The peasants, in spite of the stabilizing of the currency, are unwilling to sell their grain unless manufactured goods are given in exchange. The same journal complains that profit on grain exports is largely swallowed up by the overhead charges of the bureaucratic administration; it puts the State's outlay for moving the grain at 15 kopecks per pood of grain as against an outlay by private export firms in pre-war days ranging only from 1 to 3 kopecks. Transportation difficulties have also been serious, and there is complaint of attempts by private dealers to keep up prices through cornering the local supplies of wheat. Notwithstanding all this, it is stated as a certainty that Russian grain exports in the next few months will be a potent influence in the international market.

Section 3

Department of Agriculture

J. Horace McFarland, in The Outlook for September 16, issues a further "protest against bureaucratic plant quarantine." He says in part: "William Jennings Bryan, a sincere man, stood for the closed mind in religious advance. His fight before his death was for the exclusion from the minds of the children of Tennessee of thoughts and theories which he considered dangerous. He was not willing to attempt by truth-seeking education wholesomely to control the conclusions which might follow the study of evolution in nature. The parallel is awkward, but may serve to point a situation now existing in the Federal Department of Agriculture in respect of the continuance in the United States of that evolution and development in plant life by the introduction of new things from abroad which has in the past two centuries brought us many, if not most, of our desirable fruits, vegetables, and grains, as well as much of the bloom and beauty of our public and private gardens....Only nominally does the Secretary of Agriculture control the administration of this good law, although he has power to change the complexion of the working authority, the Federal Horticultural Board, made up from three bureaus of his department. In fact, it is the autocratic chairman of this board who controls, and he is a sincere, astute, and able zealot who believes in exclusion for plant protection as heartily as Mr. Bryan believed in thought exclusion for protecting religion. But he has vast Federal power, and he has used it as ruthlessly as any member of Spain's 'Holy Office' ever did his inquisitorial power. Witness the illogical exclusion after December 31 of this year of all narcissus or daffodil bulbs, after specially encouraged importations for three years in defiance of the pests said to come in with the hundred million of these 'posies' sent us annually by clean and careful Holland. Witness the boasts made as to the upbuilding of an important American industry, aside from any legal or tariff permission, with a consequent price increase to American gardeners of from one hundred to six hundred per cent. Witness the entire shutting out of azaleas and rhododendrons and many other desirable plants that must come in with soil on their roots if at all; witness the intricate web of red tape necessary to be unraveled each time an American rose lover desires to possess and test the new roses of Europe, despite the admitted fact that the danger of getting plant pests this way is infinitesimal. The control policy virtually scorned by the Federal Horticultural Board has certain definite beneficences which it minifies or ignores. For example, much is made of the cost of combating

the San Jose scale, a foreign pest. Yet candid orchardists agree that the spraying which has completely controlled this pest has also controlled so many native pests that we have more and better fruit in consequence. The pest has forced us to make apple growing profitable.....I have said that the Secretary of Agriculture only nominally administers the good law of 1912. He can, if he believes the scientists I have cited and many others, if he cares to listen to most of the great State horticultural organizations, to the amateur organizations of men and women who are pushing forward plant advance in the United States, to most of the great educational leaders in horticulture, change the personnel of the 'F.H.B.,' as it is called by its victims. He can set before it the ideals of control rather than exclusion, so that the Nation may resume its horticultural advance while more effectively guarding against the preventable spread of new bugs and bothers from abroad. He can end a horticultural despotism that is as un-American as it is unwise. He can, at probably less expense, promote the relations with the phytopathological authorities of England, Holland, France, Belgium, and Germany, which will assure that control and inspection abroad which is operating so well with our human immigration. He can free from intolerable interference the plant-exploration work of our great botanical gardens, to none of which the importation of a plant pest has ever been truthfully traced....."

Section 4
MARKET QUOTATIONS

Farm Products Sept.14: Grain prices quoted September 14: No.1 dark northern, Minneapolis $1.47 to $1.64. No.2 red winter, St. Louis $1.70 to $1.72; Kansas City $1.69 to $1.70. No.2 hard winter, Chicago $1.52 1/2; St.Louis $1.59 to $1.62; Kansas City $1.53 to $1.63. No.2 mixed corn, Chicago 97¢; Kansas City 93 1/2¢. No.3 mixed corn, Minneapolis 88 1/4¢. No.2 yellow corn, Minneapolis 88 1/4¢. No.2 yellow corn, Chicago 98¢; St.Louis 98¢; Kansas City 99¢. No.3 yellow corn, Chicago 96 1/2¢; Minneapolis 93¢. No.2 white corn, Chicago 97 1/2¢; St. Louis 97¢; Kansas City 93¢. No.3 white oats, Chicago 40¢; Minneapolis 36 1/2¢; St. Louis 41 1/2¢; No.2 white oats, Kansas City 41¢.

Maine sacked Irish Cobbler potatoes ranged $2.15 to $2.40 per 100 pounds in eastern cities; $1.55 to $1.60 f.o.b. Presque Isle. Eastern apples tend downward. New York and Michigan Wealthys sold at a range of $1 to $1.25 per bushel basket in leading markets. New York cabbage declined $10 to $15 per ton in leading eastern markets, closing at $15 to $25 with f.o.b. trading at $11 to $14 at Rochester. Yellow varieties of sweet potatoes from Virginia declined 25 to 50¢ to a range of $3.25 to $4.50 per barrel in city terminal markets; $3 to $3.25 f.o.b. Michigan and Ohio Elberta peaches $2.75 to $3.50 per bushel basket. New York Elbertas mostly $2.75 to $3.25 in a few markets; $2.25 to $2.50 f.o.b. Rochester.

Chicago hog prices closed at $13.60 for the top, bulk of sales $11.20 to $13.40; beef steers choice, $14.75 to $16.40; good $11 to $15; medium $7.85 to $11.25; common $6 to $7.85; heifers good and choice $7.50 to $12.50; common and medium $5.25 to $8. veal calves, medium and choice $11 to $14; heavy, medium and choice $5 to $8; stocker and feeder steers, common and choice $4.75 to $8.75; fat lambs (light and handyweight), medium and choice $14 to $16; yearlings wethers, medium and choice $9.75 to $12.75; fat ewes $4.50 to $8.25; feeding lambs medium and choice $14 to $16.

Middling spot cotton in 10 designated spot markets advanced 49 points closing at 24.16¢ per lb. New York October future contracts advanced 51 points, closing at 24.46¢.(Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XVIII, No. 65 Section 1 September 16, 1925

RADIO REGULATION The press to-day states that Secretary Hoover intends to ask the National Radio Conference, which will be assembled within the next six or eight weeks, to lay down a program for regulating and restricting broadcasting. The trend in the field, he said September 15, has made some Federal regulation, probably backed up by legislation, seemingly necessary.

LOWDEN ON AGRICULTURE AND BUSINESS A Chicago dispatch to the press to-day says: "Organization of agriculture and co-ordination with business were advocated by Frank O. Lowden, former Illinois Governor, in an address before Kiwanis clubs at Chicago, September 15. 'Fields, mines, factories and railroads, working together under a co-ordinated plan, make up the industrial system,' he said. 'Their total product is largely determined by the effectiveness with which they come into gear with one another. Agriculture is sadly out of gear with the other parts of the structure. The main cause of this is generally conceded to be the disparity between prices of the things the farmer has to sell and the prices of those things he must buy. Now if the farmers are to put themselves upon terms of equality with the great industries of the country, they, too, must organize. The farmer must organize for the purpose of marketing his products. Cooperative farm-marketing associations are no longer an experiment.'"

FUNDS FOR GERMAN AGRICULTURE A New York dispatch states that funds for the promotion of German agriculture will be provided to-day through the sale of a $25,000,000 loan for the Deutsche Rentenbank-Kreditanstalt, organized under the Dawes plan as a central bank for Germany's agricultural credit organization. (Press, Sept. 16.)

POTATO RATES Railroad rates on potatoes from Michigan, Minnesota and Wisconsin producing territory to Alabama and Tennessee points are reasonable, the Interstate Commerce Commission held September 15. Railroads were refused permission to make increases. (Press, Sept. 16.)

FRENCH WHEAT CROP A late Paris dispatch to the press to-day states that Minister of Agriculture Durand told the Cabinet September 15 that this year's wheat crop is officially estimated at 89,000,000 quintals. Forecasting an estimate of 85,000,000, Le Matin pointed out that this is 9,000,000 quintals more than last year's crop. France's needs amount to 90,000,000 quintals, the paper added, so it will be necessary to import only 5,000,000. Russia is beginning to export quantities of wheat to France, the latest order being 30,000 tons for October and December delivery at 118 francs per 100 kilograms (220.46 pounds), making in all 200,000 tons purchased by France from Russia.

Section 2

Agriculture and Business

An editorial in The Wall Street Journal for September 15 says: "Agriculture is in better shape than it has been for some years, building unbelievably increased and commerce expanding. Here is encouragement for business looking to foundation facts. Aside from cotton the crops are nearly all made. In volume the cereal production appears to be about 6 per cent greater than last year and equal to the average of the past five years. With the exception of potatoes, other minor crops and fruits make a good record. What the final outcome of cotton will be can not yet be seen, but a crop nearly as large as last year is probable. Prices for all products average better than the five-year average, while livestock is in the best position since the deflation period. Pains and expense are well invested to collect information on the financial situation in farming communities. On July 1 and 4 a summary of the investigation of The Wall Street Journal's staff correspondent in the Middle West showed a liquid condition of the banks, large and small, throughout that part of the farming section. Large banks, seeking employment for idle money, were sending it to New York on call, and even little country banks instead of borrowing for the harvest season were buying commercial paper. Later, a trip through the cotton belt showed the same situation there except in a few limited areas of poor crops. Building is making new records. In July building contracts were a record for that month. August surpasses July by 11 per cent. The total of $589,700,000 is the largest on record. This is spread all over the country, including the Northwest, that for some years has been suffering from agricultural depression. This is no sudden spurt, but for the past three months has been increasing until now the total is about 25 per cent ahead of last year. Commerce flows like a mighty river gaining in volume from its increasing tributaries. We can not expect agriculture to contribute as much to the foreign trade as last year because of a smaller supply of wheat, but a great increase in exports of manufactures is in evidence. July figures have not yet been classified, but the June figures show exports of $339,600,000 against $276,739,000 a year ago. Finished and semi-finished manufactures were $208,000,000, and last year $164,000,000. Averaging 60 per cent of the exports, these manufactures exported were 27 per cent more than last year. Classic mythology represents Atlas supporting the world. Our business world is upheld by another Atlas made up of different factors. Of these, agriculture, building and commerce are stronger than ever before."

Cotton Crop

A New Orleans dispatch to the press of September 14 says: "The main feature of the past week in cotton was naturally the crop report issued by the Government on Tuesday after the resumption of business following the Labor Day holiday. The indicated yield, based on conditions existing on September 1, was placed at 13,740,000 bales, or just 250,000 bales less than the indication based on conditions prevailing August 16. This forecast, like most of the others issued by the Government this season, was a surprise to the trade, which had been looking for a crop prospect of about 14,000,000 bales or more. Despite the criticisms of a number of doubters, the effect of the smaller forecast was immediate, as prices advanced sharply right after the report and the covering and trade buying that have followed have raised the price level fully $7 a bale. Although there has been realizing on the advance, more or less hedge selling and probably also some short selling on the reaction theory, prices nevertheless reached the highest levels of the movement in Friday's trading."

A Second New Orleans dispatch says: "One of the strong sustaining influences in the market for the greater part of the week has been the increased demand for manufactured goods which has sprung up, resulting from lowered crop views and the belief of the goods trade that the prospect for lower prices based on a larger crop has been dissipated."

French Wheat Crop

Although official figures are not yet available, the latest trade forecasts place France's wheat crop for this year at between 85 and 90 million metric quintals which figure, according to advices received by the Bankers Trust Company of New York from its French information service, compares favorably with the harvests of the past two years which yielded 76 and 81 million quintals respectively. If it had not been for the very wet weather which has persisted in France during the past few weeks, Mr. Ernest Sicot of the Tours grain market estimates that France this year would have had one of the finest wheat crops since 1897, aggregating possibly as much as 95 million quintals. This opinion is confirmed both by Mr. Quignard, general secretary of the French Grain Federation, and by Mr. Chasles, president of the French Millers' Association, who estimate that in certain districts of France as much as 20% of the total crop has been lost due to the heavy rains which fell before it could be brought in. As France's requirements in wheat average about 86 million quintals a year she will probably have to make some imports during the next twelve months. This prospect has already caused the market price of native wheat to rise from an average price of 121 francs a quintal on August 20th to 126 francs on August 25.

Purebred Registration

An editorial in Western Breeders Journal for August 27 says: "Two weeks ago we called attention to an article by Prof. E.J.Perry of New Jersey suggesting that not all purebreds be registered. Professor Perry took the position that no purebred bull should be registered by a breed association unless or until his dam had a definitely prescribed record to her credit. That this suggestion is considered timely in a good many circles is indicated by the fact that the article in question was ultimately published by five of the leading purebred livestock publications of the country.....We are very glad to publish in this issue an article by a Washington Guernsey breeder, W. O. Peterson, who objects to Professor Perry's proposal on the ground that it involves too much red tape, would tend to militate against the new breeder, and would be in the nature of a fence built around, and for the protection of, the older breeders. Mr. Peterson wants to make it as easy as possible for the new breeder. We are not absolutely 'sold' on this particular proposal ourselves. We mentioned it as a suggestion well worth considering. We think that at least it tends in the right direction. We are concerned not so much with what is good for the new breeder, nor with what is good for the old breeder, but with what is good for both the breeding business and the dairy industry as a whole. The fact is that, in spite of the high standard maintained by most breeders, quite a number of purebred animals are sold to dairymen that should have been sold to the butcher; a number sufficient to constitute a menace to the purebred breeding business, since they destroy the confidence of the dairy farmers buying them in the economic value of purebreds. Everybody familiar with the dairy cattle business knows this to be true. It seems to us almost axiomatic that there should be some way of remedying this situation. Unquestionably, the adoption of Professor Perry's proposal would help materially,

whatever disadvantages it might entail....We certainly would not want to build any fences around established breeders. What we would like to do is to break down all fences between the business of breeding purebred dairy animals and the great dairy industry, between the breeder and the ordinary dairy farmer. That must be done if the breeder is to prosper, and it must be done if the dairy farmer is to operate on a profitable basis....."

Roads and Their Influence

In an editorial on a recent statement of the Bureau of Public Roads New York Commercial for September 11 says: "A vast amount of money has been expended in creating the improved highways system of the United States. The good roads of the country have profoundly influenced the railroad business. If to-day the former were to disappear the result would soon be ruin for the automobile manufacturers and such a flood of freight and passenger business for the rail carriers as they have never known. They would be hopelessly swamped by business. Good roads and automobiles are partners. That partnership began a quarter of a century ago. Much capital has been required that the partnership might 'carry on' and expand. All business enterprises in the United States have been influenced in some degree by it. The steel business has expanded because of the demand for steel with which to make automobiles, the cement business has grown tremendously on account of the call for cement with which to construct roads, rubber tire manufacturing has become a mighty business because of the partnership of automobiles and good roads, the paint business has flourished for the same reason, oil pool seekers have feverishly drilled the earth to find the oil holding the gasoline necessary to move the mighty fleet of automobiles over the system of improved highways--and so on through the whole catalogue of business undertakings. There is much food for thought in the good roads statistics of the past twenty-five years."

Speculation

"The United States as a whole should breathe a sigh of relief at the abatement of the recent fever of speculation. With a gradual and orderly liquidation on the stock exchange, a check to over-building and a muffling of those land booms that are unwarranted the greatest elements of danger will be eliminated, at least temporarily. As this elimination becomes a reality the country's prosperity will be put on a sounder and safer basis. In this direction there has been progress during the week." (Commerce and Finance, Sept. 9.)

Synthetic Products

An editorial in American Fertilizer for September 5 says: "The fertilizer industry should look with interest, if not with enthusiasm, on Henry Ford's suggestion that cows should no longer be kept, but that we all should use synthetic milk. Before the new process of manufacturing milk has been perfected, Henry will have driven the last horse from the farms by the competition of his gasoline tractor. With neither horses nor cows on the farms, animal manures will no longer be a factor in maintaining soil fertility. The specialist, who now laboriously demonstrates that commercial fertilizers alone will make the soil grow better and better every day, will then have his inning. In that golden age no fertilizer manufacturer, however humble, will have a speaking acquaintance with the sheriff, and shares in fertilizer companies will compete with Wall Street banks for the top place in the stock quotations. You don't believe it? Well, who believed twenty years ago that Henry would make twelve million flivvers?"

Wool Sheep for Russia

Nicolaus Kanarsky, professor of textiles at the Technical Institute of Moscow, and director of the Russian Standardization Committee, and now visiting this country, states that a committee was recently appointed to come to the United States to purchase fine wool sheep in large numbers. Russia now has 70,000,000 sheep producing coarse wool, it is said, with only 400,000 producing wool similar to our merinos. One of the big problems confronting the Russian sheep industry is that of increasing the wool supply without materially increasing the mutton supply, of which at the present time there is an over-abundance in Russia, according to Mr. Kanarsky. (Wool and Cotton Reporter, Sept. 10.)

Section 3
MARKET QUOTATIONS

Farm Products

Sept. 15: Chicago hog prices closed at $13.60 for the top; bulk of sales $11.40 to $13.40; medium and good beef steers $7.50 to $15; butcher cows and heifers $3.90 to $13; feeder steers $6.75 to $8.75; light and medium weight veal calves $12 to $14.75; fat lambs $14.25 to $16.15; feeding lambs $14 to $16; yearlings $10 to $13; fat ewes $4.50 to $8.25.

New York sacked Round White potatoes $2. to $2.15 in the East and Northern stock $2 to $2.15 on the Chicago carlot market. New York and Michigan Wealthy apples sold at a range of $1 to $1.25 per bushel basket in leading markets; mostly 85¢ to 90¢ f.o.b. Rochester, N.Y. Yellow varieties of sweet potatoes from Virginia were jobbing at $3.75 to $4.75 per barrel with f.o.b. trading at $3 to $3.25. New York domestic type cabbage $18 to $25 bulk per ton in eastern city wholesale markets; $10 to $12 f.o.b. Rochester. New York Elberta peaches brought $2.50 to $3.75 per bushel basket in eastern consuming centers; $2.25 to $2.35 f.o.b. Rochester. Michigan and Ohio Elbertas $3 to $3.75 in the Middle West.

Grain prices quoted September 15: No.1 dark northern Minneapolis $1.49 to $1.66; No.2 red winter, Chicago $1.72; St. Louis $1.72 to $1.74; Kansas City $1.65 to $1.72. No.2 hard winter, Chicago $1.55 1/4; St. Louis $1.60 1/2; Kansas City $1.57 to $1.63; No.2 mixed corn Chicago 96 3/4¢; Kansas City 92 1/2¢. No.2 yellow corn, Chicago 97 1/2¢; St. Louis 97 1/2¢; Kansas City 99¢. No.3 yellow corn, Chicago 96 1/2¢; No.2 white corn, Chicago 97 1/2¢; Kansas City 93 1/4¢. No.3 white oats, Chicago 40 1/2¢; St. Louis 42¢. No.2 white oats, Kansas City 42¢.

Middling spot cotton in 10 designated spot markets declined 37 points, closing at 23.79¢ per lb. New York October future contracts declined 43 points, closing at 24.03¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 15,	Sept. 14,	Sept. 15, 1924
20 Industrials	143.89	146.63	101.38
20 R.R. stocks	102.37	102.78	89.34

(Wall St. Jour., Sept. 16.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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THE PACKER MERGER CASE

An editorial in The Journal of Commerce for September 16 says: "Secretary Jardine has recommended to the Washington administration, and it is understood that the administration has approved, the dismissal of the so-called case against Armour & Company based on the action of that house in buying out the properties and good will of Morris & Company. This is the so-called packing house merger which has been before the Department of Agriculture for a good many months. His decision is that the mere purchase did not in itself violate the Packers and Stockyards act, which was aimed against the manipulation of prices, the creation of monopolies and the like. The 'combination' is, however, given a sharp, hard, slap on the wrist by way of penalty for what it has done, the Secretary of Agriculture informing it that if it ever does do anything wrong it will be severely punished. Is not this a rather lame and impotent conclusion, or, in other words, is it not what is vulgarly called a 'flash in the pan'? The case started off with a great flourish of drums and trumpets but, like the famous case of Bardell vs. Pickwick, turned out when it was 'opened,' to have 'very little inside it.' In fact, there was nothing to complain of so far as the layman could perceive except the mere fact that one concern had been purchased by another. ...There is a serious side to this announcement. If there is not and never was any case against Armour & Company why should these proceedings have been instituted at all? If it is a fact that what the public is interested in in this whole matter is reasonableness of prices and legitimacy of business method, why not stick to those questions and drop the political camouflage based upon 'trust' or organization control of a large proportion of the business and other irrelevancies of the same sort? The Government has for years been thundering in the index against the 'meat trust,' but without ever doing anything against it or indeed giving any very good reason why it should. As for the known abuses of the packing industry they have always received a secondary amount of discussion, the main attention being concentrated upon unessentials, as in the present case. Secretary Jardine has done well to pigeonhole this unfortunate inheritance handed down to him from his predecessor. Has he now a constructive policy in connection with the Packers and Stockyards act, and if not should not that act be repealed?"

The New York Times to-day says: "The decision of Secretary of Agriculture Jardine on the proposed merger of packing corporations has resulted in considerable activity in the stocks of these corporations on the Stock Exchange."

GENERAL HARBORD ON RADIO FOR FARMERS

Radio broadcasting, by ending the isolation of farm life, will be the greatest factor of modern times in keeping young men on the farms, declared Gen. J. G. Harbord, president of the Radio Corporation of America, in an address yesterday on "Radio and the Farmer" before the Advertising Club of New York. General Harbord recounted the hardships of farm life of forty years ago. "Yet it has not been the physical hardships," he said, "but the dullness of life, the utter monotony and the lack of recreation that has caused the farm boy or girl, as well as the paid farm laborer, to desert the old farm and seek the city. Through radio the farmer receives the advice of agricultural authorities. It is a friend in the time of the farmer's need. Be it insect plague, animal epidemic, threatening weather, or other adverse conditions, the radio brings the information necessary to meet the problem...." (Press, Sept.17.)

Section 2

Agriculture and World Welfare

An editorial in The Commercial and Financial Chronicle for September 12 says: "Again, the American harvest--the greatest prose-poem of Earth! It is pleasant each year to record another chapter in this sublime epic. We wonder how far the American people appreciate this wonder-work in primal production--three billions of bushels of corn, nearly 1½ billion bushels of oats, seven hundred millions of bushels of wheat! This for the United States alone, with immense stretches of Canada to be added. And not a single strike among these toilers. There is often talk of limitation of acreage, but nothing worth while comes of it. There are suggestions as to cooperative marketing associations, and they deserve to be encouraged, Millions of farmers simply work in the fields of their own choosing in their own way. And the result is bread for every one! By canal, river and steam road, these millions and billions of foodstuffs for man and beast thread their way over the vast territory of the United States until they reach every hamlet and city. Cattle upon a thousand hills are fed. The children of the poor have sustenance. Though drought may come in certain sections, famine is never feared. Not for one year, such is the variety of soil and climate, but for every year, the citizenry of this country are assured of life, and an earnest of happiness. And beyond this production lies all other. We can not measure this blessing in dollars, in wages or prices. It is the perennial reward of work. It exchanges readily at some price for manufacture, mining and professional services. The law of its exchange is human need; the measure of its worth is human good. The herds and flocks which it feeds exchange for clothing and food for millions of men far removed in occupation from agriculture. We call the area of production by the names of the Middle West and the Far West. At the South we have fourteen to fifteen millions of bales of cotton. To the East, along the narrow fringe of Atlantic States we have almost a continuous line of huge factories turning out a great variety of useful articles and machines made of steel and iron. In our Northwest there are magnificent stretches of forests for lumber. We are a people favored by Providence with all the essentials of life and progress. And our interior trade is free. If war should come we could sustain ourselves indefinitely. In peace we have only to work and save and plan to bring abundant success. But just at the time when this wealth of such elemental worth is being poured into the lap of the people, 158,000, or thereabouts, miners of anthracite in a limited area of mountainous country in Pennsylvania choose to go 'on strike' to compel operators to pay wages and to grant working conditions that this unionized labor demands, thus stopping production in this important industry. If these millions of faithful and free farmers could and would do this thing, and for three months either at the sowing or reaping time, the people would starve--and among the first to feel the gnawings of hunger would be these same anthracite miners. Do they ever think of this as individuals when they meet together to vote to 'strike'? The claim is made in behalf of higher wages that coal mining is not a continuous industry. But is farming, in the sense that the farmer can work in the fields at direct production the year round? If the farmers were to quit, by a concert of action, on a given day, in sowing time in the spring of the year, and the miners should starve, would not the world look on aghast at the crime of it; would not 'public opinion' lash them with scorn? Of course, the farmers themselves would starve, the law of life does not permit them to cease to work, to take a vacation. And does not the miner also freeze for want of coal? Hardly, but admit he deprives himself of coal, there are substitutes. There is no substitute for foodstuffs....We come back to the harvest--an individualistic

product of great magnitude and benefit to the whole country. Bread for a people! Bread so common upon every table that we scarcely think of it. The epic of wheat and corn! The gift of nature to man. And millions of men producing wheat and corn and oats upon millions of farms, because they are owners and tillers of the soil--without awaiting price, and for all the talk of limitation of adreage and cooperative marketing associations--each doing the most and best with the talent that is given to him.'

Canada to Export Horses A Montreal dispatch to the press of September 15 says: "A policy, designed to open up new markets for Canadian horse-breeders, has been inaugurated by the Dominion Department of Agriculture, which has collected eighty head of horses and will ship them to Europe, where there is a good market, according to present reports. All charges will be paid by the department."

Canadian Wheat Shipments An Ottawa dispatch to the press of September 15 states that more than 15,000,000 bushels of wheat were exported from Canada in August, as compared with 13,000,000 in August of last year. Of the wheat exported last month, 10,972,000 bushels went to the United Kingdom, and of that amount 8,085,000 bushels went by way of United States ports. The shipments through United States ports showed a marked increase over August of last year, when the total was 2,284,000 bushels. The wheat flour exports for August totaled 684,689 barrels, as compared with 626,213 barrels last year.

European Conditions New evidence of the continued improvement of economic conditions in Europe is cited by Basil Miles, American administrator at the headquarters of the International Chamber of Commerce at Paris, in a report made public to-day by the American section of the chamber at Washington. Mr. Miles says that the general trend of business conditions is decidedly upwards. "The European business world," he says, "is more and more returning to the cordial relations which existed before the war. The arrangement to fund the Belgium debt to the United States, which at one time was reported doomed to failure, has cleared another stumbling block from the paths of commerce. Uncertainty, leading to lack of confidence, has been one of the principal evils which has afflicted world trade, and particularly that of Europe, since the war. Every time a new settlement of some disputed point is made, confidence is fortified and uncertainty removed to an equal degree." Other reasons for confidence in the European business situation given by Mr. Miles are these: "The unemployment situation in Austria has improved, and the Austrian banks, which a year ago faced a dangerous situation, are recovering from the strain to which they were subjected at that time. The British are studying exhaustively the ways and means to regain their position in the export trade, which is the life-blood of British commerce. They seem agreed that, generally speaking, one of the fundamental obstacles is an excessive cost of production. If the diagnosis of the disease is correct, half of the battle is won.... Under Mussolini's leadership, Italy continues its upward course and would seem to have regained definitely a control of the budget. Rumania has recovered its oil trade and has nearly reached the figures of 1913. There remain the parlous conditions which prevail in an economic sense in Russia and Turkey. However, viewing European conditions as a whole, people are gradually regaining confidence and the pressure of politics on business is proving more intermittent."

Farm Cost Reduction Plan A State College, Pa., dispatch to the press of September 15 states that an effort to reduce the cost of power and labor in farm operations will be made on one of the farms at the Pennsylvania State College this year, with H. B. Josephson, a graduate of Saskatchewan University and the Iowa State College, in active charge. A four-year rotation of corn, oats, wheat and hay will be followed. "With power and labor constituting 65 per cent of the cost of producing corn crops, we felt that some means should be used to lower this burden," says R. U. Blasingame, head of the farm machinery department at the college. "Figures collected on 116 farms in Lancaster County in 1923 gave that average. Interest, depreciation, taxes, insurance, seed, fertilizer, marketing and profit composed the remaining 35 per cent."

Farm Dollar Value A Chicago dispatch to the press of September 15 says: "Testimony that the average western farm has a purchasing power in buying non-agricultural products of 14 per cent above the pre-war level, was given September 14 by H. W. Moorehouse, formerly director of economic research for the American Farm Bureau Federation, in the Interstate Commerce Commission hearing on the petition of western railroads for a freight-rate increase. For the entire country, he said, the average farm purchasing power in non-agricultural commodities was 10 per cent higher than the pre-war basis. 'From 1922 to the present,' he testified, 'the purchasing power of the average western farm has increased 72 per cent, and for the country in general, average farm purchasing power has increased 50 per cent, evidencing a most remarkable gain. When from the farmers' net sales there are deducted their interest and tax payments, wages paid and expenditures for farm implements and various materials and supplies, there remained in the year ended June 30, 1925, a balance for the farm owners and operators of $5,140,000,000. Compared with the fiscal year 1922, this amount represented an increase of $2,319,000,000, or 82 per cent.'"

Farm Profits and Rail Rates An editorial in The Journal of Commerce for September 16 says: "The Interstate Commerce Commission is at present engaged in taking testimony in favor of rate increases, and the railroads have discovered a number of experts prepared to testify to the increased buying power of the farmers' net income as compared with its pre-war purchasing value. One witness has testified that the average western farmer is now able to buy about 14 per cent more of non-agricultural products with his present income than he could have obtained before the war, while it is estimated that the purchasing power of the average western farm has risen 72 per cent since 1922. Estimates of this sort, based as they must be upon averages, are, of course, far from measuring the changes in economic well-being of many individual farmers. Assuming, however, that they reflect or measure fairly well the general improvement which has recently taken place in western farming regions, it does not seem that this type of data ought to be given overmuch weight in rate hearings. Why, for example, should a temporary accession of income be urged as a basis for rate increases which are to be indefinitely applicable? Certainly when the farming income of the Western States falls again, as it obviously will, the railroads will not for that reason accept rate reductions with equanimity. There is no reason why they should do so, in fact, if they are not earning the returns on their capital to which they are entitled. Their present short-sighted eagerness to demonstrate that farm prosperity is a good reason for demanding rate advances is likely to act as a boomerang at some not very distant date..."

Roads

"Will There Be Enough Highways for our Twenty Million Cars?" is the title of a lengthy article by William A. McGarry in The Magazine of Wall Street for September 12. Mr. McGarry says in part: "In 1895, four automobiles were built in the United States. Unless something wholly unforseen should occur between this writing and the end of the current year, the thirtieth anniversary of the automotive industry will be marked by a production well above the figure of 4,086,997 achieved in the banner year of 1923. In all probability the registration of motor cars and trucks will have approached the twenty million mark by the end of 1925, and if the percentage of increase maintained during the last three years continues into the first few months of next year the taxpayers of the United States will face the problem of what to do with more than twenty million cars. The taxpayer--and particularly the investor, if the terms are not synonymous--is far more concerned with that prospect than may appear at first glance. Interest in and dependence on the motor car can not be confined any longer to owners of automobiles and trucks and those identified directly or indirectly in the manufacture or distribution of these and allied products. The time has passed when the automobile may be considered as a luxury. It has become an economic factor of first importance in its own right, and in addition it has synchronized itself so thoroughly with all the activities of the country--business and social--that it may not be regarded as a separate entity...And yet, in spite of all that has been printed about the phenomenal growth of the industry and the development of these special services, the investigator can not fail to be impressed with the idea that the great bulk of American taxpayers and investors have not been aroused to the importance of concerted action for the preservation of that prosperity of which the automotive industry has become a barometer. This is shown first in a total lack of uniformity in gasoline taxes, motor license fees and personal property taxes on automobiles in the various States. It is indicated again in 48 varying programs for road building, although the utmost credit must be given to the United States Bureau of Public Roads and the Association of State Highway Department officials for unremitting efforts to standardize construction. But most of all, in the opinion of tax experts and business men, it is proved by the continuance of Federal 'luxury' taxes on the motor car, adopted as a war measure and now yielding a total far above that of war years, less than half of which is used in the Federal Road building program.....The question of what to do with twenty million motor cars is to be answered, in the opinion of all authorities, only by concerted action. Counting all the roads in the country--sand, gravel, macadam, concrete, brick and all other types, improved or otherwise--that registration figure will mean seven cars to the mile. There are 2,866,061 miles of public highways in the United States--to say nothing of 26,000 miles of section lines in Oklahoma designed as roads but never opened for general traffic, and one need not be an expert to understand that a mile of road will accommodate more than seven vehicles without crowding....In order to get an intelligent picture of the problem facing the country it is necessary to inquire into what kind of roads are available...Opinions as to the serviceability of these roads differ so widely, however, that it is rather difficult to arrive at anything like a general estimate. Many of them were never built to withstand the terrific impacts of modern heavy trucks, or the high speeds of passenger cars. If all of these roads were subjected to an equal traffic average, based on the number of cars of all kinds now in service, thousands of miles of highways now designated as 'surfaced' would be next to impassable. The only way to

indicate the cars per mile of improved and maintained roads in all the States would be to present 48 different sets of tables. Since that is impracticable--if only because of the varying local views on what constitutes an improved road--the only way to get at a summary of the situation is to use the figure of the Federal Aid Highway system....It is doubtless a fair assumption, therefore, that the great bulk of the country's important and traveled roads are to be found in this system. It is also fair to assume that although Federal aid will be available eventually for the construction of permanent highways on this system, States, counties and townships have worked on these roads--passing up the eventual saving--rather than on the roads outside the system. Eliminating all other roads for the moment, it is, therefore, evident that the country now has some 140 cars to the mile of improved Federal aid roadd--and 200 to the mile is regarded by experts as very near the limit for two-way traffic."

Section 3
MARKET QUOTATIONS

Farm Products

September 16: New York and Michigan Wealthy apples $1 to $1.25 per bushel basket in leading markets; $1 to $1.05 f.o.b. Rochester,N.Y. Maine sacked Irish Cobblers mostly $2.15 to $2.35 per 100 pounds in the East with bulk stock $1.40 f.o.b. Presque Isle. Sweet potatoes declined 50¢ to 75¢ per barrel in eastern cities but advanced 25¢ to 75¢ per bushel hamper in the Middle West. Various varieties of New York grapes sold 10¢ to 15¢ lower in New York City at 60¢ to 75¢ per 12 quart basket, while Michigan Wordens held fairly steady in Chicago at 80¢ to 85¢. New York Domestic type cabbage sold $5 to $15 per ton lower than a week ago, closing at a range of $10 to $20 in eastern cities and $10 to $12 f.o.b. Rochester. New York Elberta peaches were selling at $2.50 to $3 per bushel basket on the New York market and $2 to $2.25 f.o.b. Rochester. Michigan Elbertas held steady in the Middle West at $2.75 to $3.50.

Chicago hog prices closed at $13.60 for the top; bulk of sales $11.50 to $13.50; good beef steers $11 to $15; medium $7.85 to $11.25; heifers good and choice $8 to $13; choice and medium veal calves $11.50 to $14.75; stocker and feeder steers, common to choice $5 to $9; fat lambs (light and handyweight), medium to choice $14.25 to $16.25; yearling wethers, medium to choice, $10 to $13; fat ewes, common and choice, $4.75 to $8.50; feeding lambs, medium and choice, $14 to $16.

Grain prices quoted September 16: No.1 dark northern, Minneapolis $1.50 to $1.69. No.2 red winter, St. Louis $1.71 to $1.76; Kansas City $1.71. No.2 hard winter, St. Louis $1.61; Kansas City $1.61. No.2 mixed corn Chicago 96¢; Kansas City 93¢. No.3 mixed corn Minneapolis 87¢. No.2 yellow corn Chicago, 97¢; St. Louis 97¢; Kansas City 99 1/2¢. No.3 yellow corn Chicago, 96¢; Minneapolis 91 1/2¢. No.2 white corn Chicago 96¢; Kansas City 93¢. No.2 white oats, Kansas City 42¢. No.3 white oats Chicago 40 1/2¢; Minneapolis 36 1/2¢; St. Louis 42¢.

Closing prices on 92 score butter: New York 48¢; Chicago 46¢; Philadelphia 48 1/2¢; Boston 47 1/2¢.

Middling spot cotton in 10 designated markets advanced 35 points, closing at 24.14¢ per lb. New York October future contracts advanced 41 points, closing at 24.44¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 16,	Sept. 15,	Sept. 16, 1924
20 Industrials	145.87	143.89	101.75
20 R.R. stocks	102.94	102.37	89.40

(Wall St. Jour., Sept. 17.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XVIII, No. 67 Section 1 September 18, 1925

PACKER MERGER DECISION COMMENTS

An editorial in The Wall Street Journal for September 17 says: "Secretary Jardine has recommended that the suit against Armour & Company be dismissed. Thus once more the legal department of our Government ignominiously climbs down. The experience should be encouraging to business. ....If in any industry an overhead expense can be saved by merging two or more companies, greater industrial efficiency is secured, and the country, taken as a whole, benefits by cheaper production. Secretary Jardine is to be commended for his course. He is helping to discourage the Government from becoming the great disturber of business."

The Chicago Journal of Commerce for September 16 says: "Secretary Jardine's decision in the Armour-Morris case is refreshing. It is indicates a disposition to base a judgment on facts and not on pre-conceived theories. ...."

The Milwaukee Journal for September 15 says: "....In any event, stockmen and meat eaters will have to depend on the Secretary of Agriculture to see that they are not imposed upon, which makes the selection of this Secretary a very vital matter. For each merger on such a scale inevitably brings demands for drastic regulation, and it will come when the pendulum has started back. One wonders if big business stops to think what it is inviting with this pyramiding of capital and consolidation of physical properties."

RANKIN ASKS COTTON FIGURES

A Tupelo, Miss., dispatch to the press to-day states that Representative Rankin of Mississippi September 17 urged the Department of Agriculture to make public in connection with its mid-September cotton crop report, figures gathered by the department showing the amount of acreage abandoned in the cotton growing States.

COFFEE PRICES AT RIO

A Rio de Janeiro dispatch to the press to-day states that falling prices on the Rio spot coffee market are attributed to the abnormally heavy arrivals of coffee from the State of Minas Geraes since the middle of August, when the valorization scheme was planned. Coffee now is coming to Rio on an average of 20,000 bags daily. The Minas Geraes State Government is completing arrangements to limit shipments to Rio to 12,000 bags daily under the new valorization plan, which is similar to the price defense plan in operation at Sao Paulo.

FUR AUCTION AT SEATTLE

A Seattle dispatch to the press to-day states that Alaskan and Siberian furs, pelts of nearly 75,000 animals, valued at $350,000 to $400,000, were offered at the Seattle Fur Exchange September 16. A single silver-fox fur from Alaska brought $210, the highest individual price. About 40 per cent of the mink skins offered were sold. The best price paid for Alaska mink was $15. Other prices ranged down to $4.

Section 2

American Bakers Association Convention

The Journal of Commerce for September 17 thus reports the September 16 session of the American Bakers' Association, in convention at Buffalo: "The morning session was addressed by notable speakers, Dr. Renick W. Dunlap, Assistant Secretary of Agriculture, better known in the food trades as former State Food Commissioner of Ohio, discussed the relation of the agricultural industry to the milling industry. He gave figures which indicated that fully one-third of the population of the country is engaged in agricultural pursuits and that 500,000,000 acres of farm land yield products worth $78,000,000,000. Modern progress, he said, has reduced the labor necessary to cultivate an acre of wheat, so that to-day a farmer can bring to the harvest an acre of wheat at a cost of three hours' toil and an average of ten hours, in place of what formerly was sixty hours.

"Sydney Anderson, president of the Millers' National Federation, former Congressman from Minnesota, delivered an address entitled, 'You Can't Get Six Pure Havana Cigars For a Nickel.' What Mr. Anderson talked about was the futility of expecting to produce good bread from low grade inferior wheat. Gen. W.H.Hart, Quartermaster General of the U.S.Army, outlined the plan for national mobilization of the baking industry as lately developed by officials of the association and referred to at yesterday's meeting. Bread, he said, being the very staff of life in the Army, it is therefore of great importance to be able to quickly produce suitable bread for an army or five million men. He commended the enterprise of the organization in mobilizing and welcomed it into the scheme of national defense."

Baking Industry

"The American Bakers Association is in convention at Buffalo. Its president illuminated his annual address with a few figures from which it is learned that bakers' bread has supplanted the homemade variety in 60 per cent of the homes in the United States. This association was formed 28 years ago, and at that time there were 12,000 bakeries employing 55,000 persons. To-day there are 18,572 bakeries employing 127,498 persons, while the capital invested amounts to $417,000,000. Only 28 years ago 80 per cent of all the bread consumed in this country was made in the homes. There were no great organizations making the staff of life on the basis of quantity production and trade names with which everybody to-day is familiar were then practically unknown. Mother had competition even then, but the transition of population from the farm to the cities, perhaps, more than anything else, is giving her surcease from this semi-weekly family duty. Incidentally it is interesting to know that so enthusiastic are the quantity production bakers over their seizure of this field of industry that 7,000 of them are in attendance at their convention." (Wash. Post, Sept.17.)

Canadian Wheat Pools

An editorial in Grain Growers' Guide (Winnipeg) for September 9 says: "The wheat pools have completed the first year's operations, having marketed 81,000,000 bushels of wheat out of a total crop of 245,000,000 bushels. Wheat pool members have received $1.66 per bushel for their wheat marketed by the pools on the basis of No.1 Northern in store at Fort William. This is 63 cents a bushel above the price paid last year by the Alberta wheat pool to its members, and will probably be considered a satisfactory figure by pool members generally. Quite a number of non-pool farmers undoubtedly marketed their wheat at a better figure than that paid by the pool, while other non-pool farmers received a lower

price. It is impossible to know accurately the average price secured by non-pool farmers, particularly in a year like the past, with unprecedented fluctuations on the Winnipeg market. No doubt considerable debate will take place upon the question of the average price secured for pool and non-pool wheat. The farmers, through the wheat pools, have built up an extraordinarily large organization in a very brief period. All responsible members of the pools will realize, however, that one year's operation is not sufficient to guarantee either the success or permanenc of the pooling method. One of the wisest decisions of the three provincial pools was to market all their grain through one central selling agency. With the growth in membership and increase in acreage under contract, together with a larger crop, the pools will have a very much larger volume of wheat to market in the year upon which they are now entering...It is very gratifying to know of the satisfactory and harmonious relations existing between the pools and the two pioneer farmers' companies, despite the fact that there have been agencies at work endeavoring to create friction between them. The educational work done by these companies over a long period of years paved the way for the pools. The assistance which they rendered and the facilities under their control made possible the organization and operation of the pools."

Chicago Board of Trade

An editorial in The Agricultural Review for September says: "The Chicago Board of Trade has reconsidered its former action, and by the decisive vote of 601 to 281 has authorized the adoption of a clearing house system, under which trades in grain for future delivery will be cleared daily....The business of speculating in grain is a legitimate one, and the net result of its activities doubtless is beneficial. But it possesses no inherent rights that justify concealment of operations, or the maintenance of secluded harbors from whose shadows plain gamblers may make forays that upset the price levels upon which men who produce the crops must depend. The grain trade is going through a process of determination of its status. A lot of practices that have been carried on in it must be discontinued. Its status must be fixed in the interest of the general welfare. Any board of trade or other organization of grain dealers or speculators which thinks it can ignore public opinion is riding to a fall. The Chicago Board of Trade is to be congratulated upon its broadening vision and good sense."

Cooperation

An editorial in Farm Life for September says: "The great movement in the agricultural world is that of cooperation. The idea has been gaining momentum, until to-day some of the most astounding business propositions in the history of the country are in process of attempted realization. There will be successes in these as there have been in the past; and there will also be failures. But the net result of all this cooperative spirit will resolve itself into great good for the trading advantage of the American farmer. The farmer has faith in cooperation with his fellows as a means of solving his purchasing and selling problems. He sees that other classes of his fellow citizens have been successful in developing cooperative methods in their business--why not he? He is willing to pay the price of finding out, and the final net result doubtless will be a success. If he did not take the trouble and accept the cost of finding out for himself what is right, he and his fellows would, in years to come, still have paid the bill by being exploited, and yet have nothing to point to as a specific remedy for his children to make use of."

Foreign Markets

An editorial in The Agricultural Review for September says: "The United States exports approximately sixteen per cent of its agricultural products. We will undoubtedly continue to export large volumes of farm products for many years. Even when our population catches up with our production we will have seasonal surpluses. Doubtless most years will see a large exportable surplus of some principal farm or livestock commodity. Economists and others talk about balancing our consumption and production but this can never be done uniformly, because production cannot be controlled. Neither can consumption be reliably forecast. There will always be wide swings on both sides of this desired balance. When there is short production prices will be high, and the people will consume less; when there is surplus production prices will be low, and they will consume more, until such surplus is absorbed at home or exported. Unless there is a dependable foreign market for such surpluses as will continue to be produced from year to year, those surpluses will crash domestic prices--except in such rare instances as happened in the case of wheat in 1924 when bountiful production in the United States coincided with short world crops, the result being that the world price level was high enough to be fairly satisfactory to American producers. So favorable a situation may not again occur in a lifetime. Foreign markets can be developed by intelligent and sustained effort, in which governmental agencies can cooperate effectively with organizations of producers. The Government can even explore and pave the way for private enterprise in foreign markets, along the lines followed by Great Britain and Germany in the development of their great pre-war world trade in manufactured articles. But there is no reason for the Government itself to engage in merchandising operations, either abroad or at home."

French Commercial Air Service

French aerial navigation, which for commercial purposes has only existed for five years, is developing very considerably as can be seen from the following figures received by the Bankers Trust Company of New York from its French information service: In 1920 the total distance covered by aeroplanes was 853,959 kilometres, whereas in 1924 the distance covered was 3,647,826 kilometres; there were 1,771 passengers carried in 1920, and 16,729 in 1924; in 1920 goods weighing 77,030 kilogrammes were carried, whereas in 1924 the weight of goods carried was 877,590 kilogrammes; the weight of mail bags carried in 1920 was 15,660 kilogrammes, and in 1924 532,777 kilogrammes. The most important French lines, and those carrying the highest number of passengers last year were, the Paris-Toulouse-Casablanca line with 7,207, London-Paris with 5,622, Paris-Constantinople-Prague-Warsaw with 2,240 and Paris-Amsterdam with 1,362 passengers.

London Wool Sales

A London dispatch to the press of September 16 states that the fifth series of wool sales was opened September 15. Offerings amounted to 12,458 bales. A large number of buyers attended and there was a good, general demand from the home trade and French and German purchasers. Prices generally equaled those ruling at the close of the last sales. Merinos were unchanged, and fine, medium and coarse crossbreds ruled from unchanged to 5 per cent dearer. Cape of Good Hope and Natal snow-white was irregular and in buyers' favor. Greasy grades ranged from unchanged to 5 per cent higher.

Section 3

MARKET QUOTATIONS

Farm Products Sept. 17: Maine sacked Irish Cobbler potatoes brought $2.15 to $2.40 per 100 pounds in leading eastern markets and $1.50 to $1.55 f.o.b. Presque Isle. Sweet potatoes, Virginia yellows mostly $3 to $4 per barrel in eastern distributing centers; $4.50 to $4.75 in Cincinnati and Chicago; $3.15 to $3.25 f.o.b. Eastern Shore points. New York and Michigan Wealthys $1 to $1.25 per bushel basket in terminal markets; $1 to $1.10 f.o.b. Rochester, N. Y. Illinois Jonathans $5.50 to $6 per barrel in Chicago. New York domestic type cabbage dropped $5 to $7 in New York City to a range of $15 to $20 bulk per ton. New York Elberta peaches ranged $2.50 to $3.25 per bushel basket in leading markets and $1.80 to $2 f.o.b. Rochester.

Chicago hog prices closed at $13.50 for the top; bulk of sales $11.70 to $13.40; beef steers (1100-1500#), choice $14.50 to $16.40; good $10.75 to $14.75; good and choice heifers $8 to $13; good and choice cows $6.25 to $9.75; common and medium $4 to $6.25; veal calves, medium to choice $11 to $14.50; stocker and feeder steers common to choice $8.25 to $9; fat lambs (light and handyweight) medium to choice $14.25 to $16; yearling wethers, medium to choice $10 to $13; fat ewes, common to choice, $4.75 to $8.50; feeding lambs, medium to choice $14.25 to $16.25.

Closing prices on 92 score butter: New York 48¢; Chicago 46 1/4¢; Philadelphia 49¢; Boston 47 1/2¢.

Grain prices quoted September 17: No. 1 dark northern, Minneapoli $1.51 to $1.71. No. 2 red winter, St. Louis $1.74 to $1.77; Kansas City $1.74. No. 1 red winter, Chicago $1.75 1/4. No. 2 hard winter, Chicago $1.57; St. Louis $1.63 3/4, Kansas City $1.57 to $1.64. No. 2 mixed corn, Chicago 96¢; Kansas City 83 1/2¢. No. 3 mixed corn, Minneapolis 86¢. No. 2 yellow corn, Chicago 96 1/2¢; St. Louis 96¢; Kansas City 99 1/4¢. No. 3 yellow corn, Chicago 95 1/2¢; Minneapolis 90 1/2¢. No. 2 white corn, Chicago 96 1/4; St. Louis 96¢; Kansas City 93 1/2¢. No. 2 white oats, Kansas City 41 1/2¢; No. 3 white oats, Chicago 40 1/2¢; Minneapolis 36 1/4¢; St. Louis 42 1/2¢.

Middling spot cotton in 10 designated spot markets down 1 point closing at 24.13¢ per lb. New York October future contracts declined 4 points, closing at 24.40¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 17,	Sept. 16,	Sept. 17, 1924
20 Industrials	146.46	145.87	103.49
20 R.R. stocks	102.78	102.94	89.97

(Wall St. Jour., Sept. 17.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XVIII, No. 68 Section 1 September 19, 1925.

BUSINESS CONDITIONS

Dun's Review to-day says: "The reports of the week add to the accumulated evidence of commercial progress. Dispatches from widely separated sections of the country and from diversified trades are in the main distinctly favorable, either disclosing a further increase of activity or giving promise of future gains. Of actual expansion of business, that which appears in the steel industry is especially significant, because it reflects prosperous conditions in different lines. The railroads, which are handling the heaviest freight traffic in their history, have begun to make replacements of rolling stock and other equipment; there is a steady demand from automobile manufacturers, whose operations keep up a notably high rate; implement makers, with their position improved by the enhanced buying power of farmers, have taken large tonnages of bars, and building contractors have made extensive purchases of material as a consequence of the unprecedented volume of new construction."

FRENCH TOWN TO BROADCAST HOUSEHOLD MARKET PRICES

A Toulouse, France, dispatch to the press to-day states that radio has been adopted as a weapon in the war against the high cost of living by the Toulouse Town Council. The city has decided to establish a public market, open three hours each morning, and loud speakers placed in all markets in the city will keep the public acquainted with the public market quotations, so that any overcharges may become evident.

LLOYD-GEORGE URGES LAND MOVEMENT FOR ENGLAND

The Philadelphia Ledger to-day says: "David Lloyd-George, of Wales and Downing Street, is campaigning for a comeback. His vehicle is an agrarian campaign. He is urging a back-to-the-land movement for England. In his first speech before 30,000 farmers he advocates that the Government take charge of English land and put it under cultivation, solving two problems at once. First, England should produce the two billion dollars' worth of food and timber she imports from other countries. Second, England should reduce unemployment by putting her idle industrial population on farms. If England were cultivated as Belgium is, he points out, there would be room for 2,000,000 men on the land--700,000 more than are at present drawing unemployment doles from the Government. Switching from industry to agriculture would not be easy, but undoubtedly possible within a generation. By the time it could be accomplished England's troubles of the moment would probably be over and a new crop of them at hand. There is much truth in what Lloyd-George says--and much politics."

FOOD PRICES

Statistics made public to-day by the Department of Labor showed that the average increase in the retail price of food in the United States was about 0.3 per cent from July 15 to August 15, of this year. The average increase since August 15, 1924, was 11 per cent, and since August 15, 1913, it was 59 per cent.

Section 2

Canadian Products

An editorial in Ontario Farmer for September 12 says: "In a recent radio address, ... A. T. Thom, chairman of the Toronto branch, Canadian Manufacturers' Association, pleaded for the purchase of more 'Made in Canada' products. He stated to his audience of 'listeners in' that our imports from the United States during 1924 totaled $600,000,000, and that an equal volume of goods was imported from other countries, much of it being goods similar to products which were being produced right here in our own country. In these figures farm products were included as well as manufactures. Mr. Thom's point is well taken. Every Canadian should make it a point to determine the country of origin of the goods he purchases, and wherever possible purchase goods made in this country. ....The same principle applies to the purchasing of Canadian fruits and vegetables. Even at the present time, the height of the Canadian fruit season, Toronto fruit vendors have their windows crammed with boxes of imported fruits, which they sell in competition with home grown kinds. As in the case of the manufactured articles, the average buyer acts without thinking. He buys what he sees on display, without asking or even wondering whether it is Canadian or imported fruit. The only way to combat this lethargic attitude is through effective propaganda--newspaper and magazine advertising, radio broadcasting, press articles, etc. Without any question of doubt, the fruit and vegetable growers of Canada should be protected by tariff equally with the manufacturers, but at the same time some strong grower-produced propaganda is necessary to arouse the average consumer to the point of discrimination between Canadian and foreign product. Individually the grower can do nothing in the matter, but through his associations he can exert a strong influence."

European Cotton Demand

C. B. Howard, general sales manager, American Cotton Growers Exchange, writing in Commerce and Finance for September 16, says: "During a recent European trip I visited all cotton centers from Liverpool to Vienna, and from Barcelona to Copenhagen. I covered practically the same points last year, and the year before, so that I have a pretty fair idea for comparison of conditions existing at these various periods in the several countries. Of course I gave special attention to the cotton textile industry, and found that, while there are varying degrees of improvement, the mills of all countries are in better condition than last year and the year previous. Italian mills have been very prosperous, and a large part of their output is exported. Austria and Czecho-Slovakia have also been doing a profitable business. German mills have been running full and selling their product at high prices to the home trade, which seems to be able to buy since the mark has been stabilized. They have done little exporting; and the opinion seems to prevail that, having somewhat filled the more urgent home demand, they will have to seek more foreign outlets another year in order to continue at their present rate. Last year, Holland mills were largely closed, because of lock-outs; but, this year, have been doing a good business, chiefly with home demand and with their colonies. Belgium appears to have done fairly well, consuming more American and less Indian. French mills have done a continuously profitable business. There seems to be a slight improvement in Spain, though it is not marked. The greatest complaint is heard in England, though there seems no doubt there is a great improvement over the past year or two. The troubles seem to be chiefly with

the mills, which were so heavily overcapitalized during the boom period after the war. Mills whose stock was not watered appear to be doing well. ....The trade seems to have become accustomed to 25 cent cotton; and I believe that, at this price or even somewhat higher, Europe will take as much, or more, cotton from us as she took the past season. What a 14,000,000 bale crop will bring is a mooted question; but, with present and prospective world conditions as they look to me, I think it can be sold at a pretty full and profitable price for the producer, if the policy of the cooperatives is adopted, and the market is not flooded during the gathering period."

Farm Equipment Prosperity Predicted

A Chicago dispatch to the press of September 18 states that the International Harvester Company, a part of whose business is to forecast the probable volume of purchases of farm equipment, is preparing for a "bigger and broader year than ever before."

In the current issue of The Harvester World, published by the company for its employees and distributors, the management says: "Prospects for 1926 are rosy. Not for years has the farm and farm equipment future looked so good. Business has been climbing the last six months and now extra optimism is evident everywhere."

Cotton and Tire Industry

R. E. Whalin, writing in Commerce and Finance for September 16, says: "The tire industry and some of its closely related users of cotton have indeed filled the gap in the consumption that has been made by the inroads of silk as a material for women's wear and by the shedding forever of some of the garments that were formerly thought indispensable. Automobile tires, the writer calculates, will consume 600,000 bales of cotton in the United States and 150,000 in Europe this year. ....As said before, the tire industry will use approximately 750,000 bales of cotton in 1925. To grow this cotton, it required 2,500,000 acres of land; the labor of 250,000 adults to grow it and get it to the mill, and more than 100,000 mill employees to convert it into fabric, valued at nearly $200,000,000. And not only is the tire business a present big factor in the cotton trade, but it is still growing. In 1913, the automobile tire consumed 83,000 bales of cotton compared to approximately 750,000 in 1925, an increase of 900 per cent. It is incredible to think that the same percentage of increase over present production can be maintained for the next 12 years, but if we take the annual increase of 55,000 bales, we find 1937 using 1,400,000 bales of cotton in tires. ....In addition to the cotton that goes into tires, the automobile body uses about 50,000 bales of cotton annually."

Potash

A Crowell, Tex., dispatch to the press of September 16 states that the National Potash Company is preparing to drill a number of test wells for potash upon a large acreage which it has leased in Foard and Cottle Counties. While drilling for oil in that section, L. C. Harper and T. J. Woodley, who are interested in the National Potash Company, encountered a bed of potash at 800 to 1000 feet below the surface. Samples of the cuttings taken from the slush pit showed upon analyses a large percentage of potash. It is for the purpose of determining the extent and working possibilities of this deposit that test wells are to be drilled.

Rubber Curtailment

An editorial in The Journal of Commerce for September 17 says: "Rubber factories in the Akron district are reported to have curtailed their output from 5 to 30 per cent, as compared with a month ago, although the large factories continue to run close to capacity. Is this evidence that our worst fears have been realized and that our rubber using industries are being strangled by a crude rubber monopoly? Apparently not, since the reduced activity is only normal for the season, and the outlook for manufacturers is reported to be better than at any time during the past five years. As a further bit of information recommended to the fearful the public is told that 'the major rubber corporations practically all have on hand large supplies of crude rubber, bought at considerably lower prices.' All this bears out what observers have said right along: namely, that the difficulties of the American rubber industries growing out of the artificial shortage have been grossly exaggerated. Admitting that some concerns have been caught with short supplies and have suffered accordingly, there is no evidence that the hysterical forebodings of certain Government officials are at all likely to be realized."

Russian Wheat

"'Russian grain exports this year,' says the World, 'will play a big role in the world market....if Soviet statistics are to be accepted. The Soviet Government predicts that Russia will this year regain its former dominating position.' But as the Soviet has always promised much and delivered little, clumsily mixing lie with truth, the statistics published by the World need not be taken too seriously. These estimate the (Russian) crop as the biggest since the record year of 1911. 'It will amount to 4,100,000,000 poods, compared with 2,700,000 last year.' So far as anything is known of Russian crop conditions, these figures are approximately correct, although a little too large. But just what does the Soviet mean by the 'crop?' In the World article reference is made to the 14 per cent decline in the Indian crop, 23.3 per cent in the American, and the statement is made that the Canadian yield is much less favorable than in 1924. These figures refer to wheat, and the inference of the reader will be that wheat is the crop referred to in Russia. The wheat market, however, need not be thrown into any panic. This Russian crop of 4,100,000,000 poods is the estimated production of all grain crops: wheat, oats, barley, corn, rye and flaxseed. This total amounts to 73,800,000 short tons, which is about 10,000,000 tons less than our corn crop. It is a fact that Russia has made some progress. The crop area this year has been estimated at 194,000,000 acres, against 186,000,000 last year and 126,000,000 in 1921. In August, the United States Department of Agriculture said that Russia's total grain production of all kinds might amount to 72,000,000 short tons. On September 8 it said that private advices confirmed previous reports that Russia 'would have some grain for export'--how much or how little is not yet known. Russia has been obliged to import wheat and flour to feed her people until the present harvest. It would not be good policy to export much grain now. On the other hand, the Soviet attitude toward the peasants is that of a former railroad magnate toward the public. Forced collections of grain will be made for export purposes, but the collections will be of all kinds, not wheat alone, for there can be no great quantity of wheat to sell." (Wall St. Jour., Sept. 18.)

Section 3
MARKET QUOTATIONS

Farm Products Sept. 18: Chicago hog prices closed at $13.50 for the top; bulk of sales $11.90 to $13.40; beef steers, choice $14.35 to $16.40; good $10.60 to $14.60; heifers, good and choice $8 to $13; cows, good and choice $6.10 to $9.75; common and medium $4 to $6.10; canners and cutters $2.85 to $4; vealers, medium to choice $11 to $14.50; heavy calves, medium to choice $5.25 to $8; stocker and feeder steers, common to choice $5.75 to $9; fat lambs (light and handyweight) medium to choice, $13.75 to $15.50; yearling wethers, medium to choice $9.50 to $12.50; fat ewes, common to choice $4.50 to $8.25; feeding lambs, medium to choice $14 to $16.

Northern sacked Round White potatoes $1.90 to $2.10 on the Chicago carlot market; $1.75 to $1.90 f.o.b. shipping points. Virginia yellow sweet potatoes 25¢ to $1 lower at $3 to $4.50 per barrel in leading markets; $3.25 f.o.b. East Shore points. New York cabbage declined $4 to $10 per ton, domestic type closing at $10 to $15 in city markets; top of $30 to $35 in Pittsburgh and Cincinnati; $9 to $12 f.o.b. Rochester. Michigan and Ohio Elberta peaches, slightly weaker at $2.50 to $3.25 in distributing centers. Onions unsettled. Eastern and Middlewestern yellows $2 to $2.75 sacked per 100 pounds in consuming centers; $1.75 to $2.35 f.o.b. producing sections.

Closing prices on 92 score butter: New York 48¢; Chicago 46 1/2¢; Philadelphia 49¢; Boston 48¢.

Grain prices quoted September 18: No. 1 dark northern, Minneapolis $1.50 to $1.70. No. 2 red winter, St. Louis $1.76 to $1.77; Kansas City $1.71. No. 1 hard winter, Chicago $1.55 3/4. No. 2 hard winter, St. Louis $1.63 1/2; Kansas City $1.62 to $1.64. No. 2 mixed corn, Minneapolis 83 1/4¢; Kansas City 91 1/2¢. No. 2 yellow corn, Chicago 93 3/5¢; St. Louis 93¢; Kansas City 95 1/2¢. No. 3 yellow corn, Chicago 92 1/2¢; Minneapolis 87 1/2¢. No. 2 white corn, Chicago 93 1/2¢; St. Louis 92 1/2¢; Kansas City 90 1/2¢. No. 3 white oats, Chicago 39 1/2¢; Minneapolis 35 3/4¢; St. Louis 41¢; Kansas City 41 1/2¢.

Middling spot cotton in 10 designated spot markets declined 15 points, closing at 24¢ per lb. New York October future contracts declined 20 points, closing at 24.30¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 18,	Sept. 17,	Sept. 18,1924.
20 Industrials	147.16	146.46	103.42
20 R.R. stocks	103.66	102.78	89.69

(Wall St. Jour., Sept. 19.)

DAILY DIGEST

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Vol.XVIII, No. 69 Section 1 September 21, 1925.

TRADE COMMISSION CRITICIZES FUTURE GRAIN TRADING

Criticism of the practice of buying and selling grain for future delivery was expressed September 20 by the Federal Trade Commission in its sixth report on the grain trade situation. Although the procedure has been defended by many elements of the trade as a price stabilizer, the commission's report declared the data studied "do not indicate that future prices are especially stable, and the technical conditions of future trading appear to cause some fluctuations in prices that would not otherwise occur." A similar contention has been voiced by representatives of the farmer and grain producer. The report declared that "one of the most important and significant facts statistically demonstrated is the downward bias of the future market."..."An extensive comparison of price data," it continued, "for various grains and options over many years shows that, on the average, there is a definite tendency for the future price in the earlier months of trading (perhaps nine months ahead of delivery) to fall short of the price subsequently attained just before or during the month of delivery. In other words, the tendency of the future price is to understate the ultimate price. This is true merely in a large majority, but by no means in all of the instances dealt with. The bias of the futures market in the direction of low prices is in part explained by the weight of selling hedges during the heavy marketing season. But the prevalence of undue discounts, or the downward bias of forecasts, at other seasons (as, for example, for wheat in the spring before the opening of the new crop year, when trades of hedges are more likely to be on the buying side) must be attributed to causes other than hedging pressure. The character of recent professional speculation is suggested as one of these factors. This bias of the futures market operates especially to depress unduly the next crop options. The downward bias of the futures market in large part explains the tendency of the future price to be at a discount below the cash price."

ROAD COURTS

The press of September 20 states that war has been declared by the American Automobile Association on roadside courts which mulct motorists out of millions of dollars a year in the form of unjust fines. Through its president, Thomas P. Henry, the association September 19 denounced such roadside courts and the "speed traps" set up by them as an "intolerable nuisance" to people who travel on the highways in automobiles. Mr. Henry said that investigation had demonstrated that fully 90 per cent of the roadside courts and speed traps were "operated for revenue only."

PECAN NUT CROP

An Austin, Tex., dispatch to the press of September 20 states one of the effects of the drought in central and southern Texas this season is a great falling off in the production of pecan nuts. In a few localities a good crop is upon the trees and will soon be harvested. The use of pecan kernels in the manufacture of confectionery has greatly increased during the last few years. The demand of the nuts for this purpose is so great that the planting of orchards of budded pecan trees has become a large industry in some parts of Texas.

Section 2

British Agriculture

Prof. D. H. Macgregor is the author of "The Agricultural Argument" in The Economic Journal for September. He says in part: "The British farmer finds himself again the subject of political debate, and is aware that some new policy is being prepared for his industry. That has been investigated very recently by a Royal Commission, the Selborne Committee, and the Agricultural Tribunal. Some things of a minor nature have been done, and one large measure--the guaranteed price--has been enacted and hurriedly repealed. The Wages Board has been set up, abolished, and set up again. And now the industry has been asked to meet in conference to frame its own proposals. It has not had referred to it the conclusions of the tribunal; but, when the conference has finished its de novo researches, the farmer may hope that at last an end has been made of inquiry, since committee, commission, tribunal and conference seem to have run between them the gamut of titles under the guise of which action can be deferred, unless the conference is followed by a symposium. Possibly that action, when it comes, will be based on the findings of some of these inquiries; possibly the farmer will find something quite different emerging from the private deliberations of an unofficial party political group. In all this confusion the farmer might at any rate be flattered by the thought that his industry is regarded as one that is peculiarly vital... The statement that only in this country has the agricultural population declined in recent times is merely untrue. It has very seriously declined in the other industrial countries of Europe--Germany, France and Belgium--for the same reasons as here; in Germany, for instance, between 1882 and 1907, the industry as a whole lost over 7 per cent of men employed, and nearly 29 per cent of male farm labor. Belgium lost a seventh of men engaged between 1880 and 1910. There is a relative decline all over the world, while in old countries the absolute decline is due to both economic and social causes. The economics of the decline depends on the increased use of labor-saving methods which are being urged on the farmer in the interests of efficiency, and on the fact that in agriculture this works otherwise then in manufacture; other industries can build new factories, and employ more men with than without mechanical improvements, but agricultural land is limited, and displaced labor has to go elsewhere. The social causes are well known and are a matter of concern in many countries. To tell the farmer to employ more labor, at legal minimum wages, is to ask him doubly to increase his labor costs, and is the opposite of the advice he is receiving from within the industry....Do we simply want a larger population on the land? If so, since the strongest current of rural exodus is towards the Colonies, and not, as is often supposed, towards our own towns, why do we pass an Empire Settlement Facilities act to subsidize the emigration of agriculturists? For what reason do we want a large population to live under the comparatively isolated conditions of rural life? Is it for the sake of national health, and, if so, have the vital statistics of this country, and the recent history of these statistics, been compared with those of the more agricultural countries of Europe? Do we want more rural exodus towards the towns in order to promote urban health, or less rural exodus in the interests of agricultural settlement?....If, on the other hand, it is a question mainly of the distribution of the sources of our food supplies, why do we wish to increase home as against other sources?...Do we need, six years after the war to end war, a new provision for national defense? It is very important to know if agricultural policy is mainly directed to this purpose. As it is, most of the discussions to which one listens on

the whole subject are implicitly protectionist, and this is the point of view that will continue to gain as long as the crossing arguments are not separated, and some other definite basis is not chosen to stand on. If efficiency is the sole basis, then any special consideration for arable drops out. Economists were asked to give a judgment on all the aspects of the problem when the tribunal was set up. They strove to separate the issues and to show the nature of the choice that is before the country. But what use is it all, if no inquiry will be acceptable which does not supply the superlatives that will give éclat to a political drive? And especially if policy is to be based on the sheer libel that British farming, with its great history and its great contributions to agricultural method, is to be discussed in the company of such phrases as 'the worst,' or even 'among the worst,' in the world?"

Economic Research Bureaus

Prof. C. Z. Dickinson, of the University of Michigan, is the author of a 17-page article on bureaus for economic and business research in American Universities, in The Economic Journal for September. He introduces his paper as follows: "The bureaus for 'business' and economic research, which are multiplying rapidly throughout the larger universities of the United States, deserve comment here for two main reasons; they exhibit most of the influences which are tending to carry the Industrial Revolution (that is, extreme division of labor and quantity production) into all sorts of research on economic materials; and, moreover, they appear to show that, through cooperative arrangements between universities and business associations, not merely the arts of business administration and of pedagogy connected therewith, but also economic science itself, may be advanced in a unique way."

Farm Prosperity

An editorial in the New York Herald-Tribune for September 19 says: "Charts, index figure tables and other statistical devices exhibited at the western freight rate hearing thus illuminated the farm situation, according to dispatches from Chicago: 'The farming population is about stationary, with the present purchasing power of the average western farmer in buying non-agricultural products 14 per cent above the pre-war level. Agricultural prices have risen until they are now relatively higher than the prices of other commodities. There is nothing on the national or international horizon at the present time to indicate that substantially the present prices will not prevail for several years, the probability being that a number of farm prices will go higher rather than lower. From 1922 to the present time the purchasing power of the average western farm has increased 72 per cent. For the country in general this increase has been but 50 per cent. The year ended June 30, 1925, showed a balance for the farm owners and operators of $5,140,000,000.' The data thus summarized were presented to guide the Interstate Commerce Commission in revising freight rates. But, should they give a true picture, they must also have a broad bearing on business and politics. If the farmer is relatively prosperous business expansion is assured. Political tranquillity in the granger States is also foreshadowed."

Mill Cotton Consumption

World mill consumption of cotton during the six months ended July 31, 1925, is estimated at 12,000,000 bales, an increase of 22 per cent over the corresponding period last year, by the International Federation of Master Cotton Spinners' Associations. The 12,000,000 bales estimate is 7 per cent more than consumption during the half year ended

January 31, 1925. World consumption of American cotton, included in these figures, is placed at 7,022,000 bales during the six months ended July 31, 1925, compared with 6,232,000 bales for the half year ended January 31, 1925. Consumption of East Indian and Egyptian cotton was slightly less than the preceding six months. (Press, Sept. 17.)

South African Fruit Marketing

H. Clark Powell, Professor of Horticulture, Transvaal University College, in an article on the citrus industry of South Africa, in the Journal of the Department of Agriculture of South Africa for August, says in part: "The recent visit to this country of Dr. H. J. Webber, director of the Citrus Experiment Station, Riverside, California, has meant much to the citrus growers. Dr. Webber's sound advice on cultural matters will result in the production of more and better crops of citrus fruits, as some questions which had been unanswered before have been clearly and satisfactorily explained. A full report on his observations and recommendations will be issued in the near future....The value of the California Fruit-growers' Exchange to the citrus growers of California is self-evident from the outline which has been given. Without the exchange the citrus industry of the State would not exist on one-tenth the scale it does to-day. Can the application of the cooperative principles of organization upon which the exchange is built be of service to South Africa? The export of oranges from South Africa, as previously mentioned, amounted to roughly 500,000 cases for 1924, and many difficulties stood in the way of the successful shipment of this small crop. Extensive planting of new trees has been going on and will continue for a considerable period of time. By 1930, the crop to be handled will amount to about 7,000,000 cases, or, in other words, in five years the citrus crop will increase 1,200 per cent. Five years will certainly not see the limit crop, because a large amount of planting is going on all the time. The recent visit of Doctor Webber will undoubtedly lead to yet further increasing of the citrus acreage."

Sugar Price

A New York dispatch to the press of September 19 states that raw sugar touched the lowest price level in three years September 18 under continued liberal offerings, 1,400 bags of Philadelphia selling at 4.18 cents a pound delivered. This quotation was 1-32 of a cent under previous sale.

Western Farm Conditions

An editorial in The Rural New Yorker for September 19 says: "For some little time past we have been investigating conditions in the West among farmers. Are they more hopeful and on the whole more prosperous now than last year or the year before? If so what has caused the change? We go right to our readers. They know we want the truth, regardless of any personal feeling they may have--and the average of what they tell us is always the most faithful report of conditions that can be found. We are not yet prepared for a final report, but the indications are thus far that western farmers are in better shape and are, on the whole, more hopeful than for several years past. This week we want to comment on several bits of farm philosophy which come from the correspondents. Here is one from a Kansas postmaster: 'The auto was largely instrumental in demoralizing farm help and the residents of farms, in that it took them away too often hunting pleasure when they should have been at home at work. I feel from conversation with farmers who come to the windows on Saturday afternoons after their mail that radio is going to change all that, for they can have much of their entertainment at home in the future. On the

whole farmers are better off than for the past several years, and more content.'...."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended September 19: Potato markets dull. Maine bulk Irish Cobblers sold at $2 to $2.15 per 100 pounds in New York City; $1.30 to $1.40 f.o.b. Presque Isle. Trading in sweet potatoes was somewhat limited; prices were lower in eastern markets, Virginia yellows closing at $3.50 to $4.25 per barrel. New York yellow onions nearly steady at $2 to $2.50 sacked per 100 pounds in eastern terminal markets; $2 to $2.35 f.o.b. Rochester. Apple markets were about steady, prices showing little change. New York and Michigan Wealthys $1 to $1.50 per bushel basket in leading markets; $1.05 to $1.15 f.o.b. Delaware and Pennsylvania Jonathans $1.25 to $1.75. New York domestic type cabbage declined $5 to $10 per ton to a jobbing range of $12 to $20 in eastern cities, top of $35 in Cincinnati; $8 to $11 f.o.b. Rochester. New York Elberta peaches weaker jobbing mostly at $2.25 to $2.75 per bushel basket in the East; $1.75 to $2 f.o.b. Rochester.

Butter markets continued firm during week with fancy grades becoming scarce on account of hot weather defects. Conditions in producing areas discouraging as pastures have suffered permanent injury from lack of rain. Some interest beginning to appear in storage butter: Closing prices on 92 score: New York 48¢; Chicago 46 1/2¢; Philadelphia 49¢; Boston 48¢.

Grain market unsettled with wheat lighter but feed grains lower. Wheat futures steady to 3 cents higher than week ago on good domestic demand in spite of heavy movement of Canadian crop and reports of large exports from Russia. Corn sharply lower on favorable weather in corn belt with buyers holding off account expected early new crop movement. Oats lower with corn.

Hay prices tending higher for top grades of timothy. Lower grades holding steady. Quoted September 18: No.1 timothy - New York $29, Pittsburgh $25, Cincinnati $26, Chicago $27, St. Louis $26.50, Kansas City $17.50, Memphis $27. No.1 alfalfa - Kansas City $20, Omaha $18, Memphis $25. No.1 prairie - Omaha $13.50, Chicago $18, St.Louis $16.50, Kansas City $14.50.

Chicago livestock quotations as of September 19 follow: Hogs, top of $13.45; bulk $11.90 to $13.30; Beef steers choice $14.35 to $16.40; good $10.60 to $14.60; medium $8 to $10.85; heifers, good and choice $8 to $13; common and medium $5.50 to $8.50; cows, good and choice $6.10 to $9.75; canners and cutters $2.85 to $4; vealers, medium to choice $11 to $14.50; heavy calves, medium to choice $5.25 to $8; stocker and feeder steers, common to choice $5.75 to $9; fat lambs; light and handyweight, medium to choice, $13.75 to $15.50; yearlings wethers, medium to choice $9.50 to $12.50; fat ewes, common to choice, $4.50 to $9.25; feeding lambs, medium to choice $14 to $16.

Average price of Middling spot cotton in 10 designated spot markets advanced 33 points during the week, closing at 24¢ per lb. New York October future contracts advanced 23 points, closing at 24.18¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Sept. 19,	Sept. 18,	Sept.19,1924
20 Industrials	147.73	147.16	103.63
20 R. R. stocks	103.68	103.66	89.60

(Wall St. Jour., Sept. 21.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. VXIII, No. 70 Section 1 September 22, 1925.

SENATOR EDGE TO URGE DEPARTMENT REORGANIZATION

The press to-day states that broad powers to cut the gordian knots of red tape and reorganize the Executive departments of the Federal Government on an efficient basis would be conferred upon President Coolidge by a bill which Senator Edge will introduce upon the convening of Congress in December. Senator Edge announced his intention to introduce the bill following a conference at the White House with President Coolidge yesterday. The measure which the Senator proposes would give the President authority comparable only to the sweeping wartime powers conferred upon President Wilson by the Overman act.

GRAIN MARKETING IN NORTHWEST

A Minneapolis dispatch to the press to-day states that grain marketing began earlier this year than last, and the operating efficiency of railroads in that district brought about some record-breaking daily receipts of wheat during the first half of September, according to the Federal Reserve Bank of Minneapolis.

BABSON ON BUSINESS CONDITIONS

A Wellesley, Mass., dispatch to the press to-day states that a period is approaching when there will not be the violent booms and depressions in business that have marked the last forty years, according to Roger W. Babson in an address opening the twelfth annual National Business Conference at Wellesley yesterday. "The great profits and the violent losses of the past twenty years," he said, "will not again be evident for some time to come. This means that the next few years will not offer many opportunities to the speculator or any other man who is trying to get something for nothing. Business, however, will be healthier, more stabilized and more satisfactory for those who are willing to render real service and give a dollar's value in commodities and labor for every dollar received."

WHEAT SURPLUS IN FRANCE

A Paris dispatch to the press to-day says: "Already cheered by the Minister of Agriculture's statement last week that the 1925 wheat crop in France would be only 500,000 hundredweight short of the round 90,000,000 which the country consumes annually, the business circles of Paris were elated yesterday at news that Algeria and Tunis would produce 5,000,000 hundredweight more than they need, which brings France's total wheat supply to nearly 93,000,000 hundredweight, leaving a small exportable surplus."

JULIUS FLEISCHMANN MEMORIAL

American Bakers' Association at annual meeting at Buffalo last week indorsed a plan to honor the late Julius Fleischmann, by the creation of the Julius Fleischmann Memorial Fund. The income from this fund will be used to provide scholarships in baking schools, traveling fellowships, laboratory and scientific research in baking, courses in this trade in vocational schools and domestic science courses in normal schools and high schools. (Modern Miller, Sept. 19.)

Section 2

Cooperation in Britain

L. F. Easterbrook contributes an extensive article entitled "Why Has Agricultural Cooperation Failed" to The Nineteenth Century and After for September. He says in part: "No sluggard was ever more persistently invited to visit the ant than the British farmer is exhorted to 'look at Denmark,' and this exhortation is invariably accompanied by the murmur of that magic word 'cooperation.' ....The same story of success under the banner of cooperation can be read in the history of several South American fruit growing industries, and even in Ireland, surely the least cooperatively minded of nations, Sir Horace Plunkett was able to unite the small producers under his scheme. Why, then, has agricultural cooperation so signally failed in England, the country where, in 1867, the first agricultural cooperative society in the modern world was created? Why do the farmers not only fail to support it, but in some places actively dislike it, and why does one cooperative bacon factory after another close down almost as soon as the last of its bricks has been laid? There seem to be two sets of causes, which for convenience may be designated as general and particular respectively, and in considering the general causes they can be most easily explained by following the advice of the farmers' critics and 'looking at Denmark.' ....One of the chief essentials of cooperation is that the member loyally sends all his product to the society and accepts unquestioningly the price paid him. The Danes, appreciating this, have made such procedure compulsory. But in England such loyalty is not compulsory, and since many of our 'cooperators' do not hesitate to accept the offer of a better price from an outside firm, the cooperative society becomes merely a trading body in competition with similar bodies, with the result that it is forced into bargaining with its own members to buy things from them at the lowest possible price. There is not, on either side, the faintest resemblance to anything that could possibly be called 'cooperation' in such procedure. ....We are also individualists, and the English farmer has stood apart for centuries, fighting his lonely battle with the soil, scarcely touched by the great events in the world that has rolled by outside. ....Our farms are large, our nature autocratic, and so each farmer has tended to think of himself as prince of a small domain, and he has rejoiced in being able to administer his kingdom independently of his neighbors. Ours is a large island, and its agricultural communities are scattered -- even to-day there are farms where if the daily paper comes at all it comes a day late -- and so there is neither the sense of cohesion nor the facility for bringing agriculturists together that is to be found in more centralized communities. .... So deeply rooted in the national character is this love of individualism that it is found even amongst those for whom cohesion of some sort is as necessary as for the small-holders of Denmark. It is not only the large farmers who take unkindly to the cooperative idea, but our small-holders as well. ....We have soil and climate among the best for the general purposes of agriculture. For many years our farmers were the leading agriculturists in the world, and to-day the techmical knowledge of many of them is unsurpassed; there is a demand for what they can produce that exceeds the home-grown supply by more than in any other country. But for lack of a proper system for buying and selling and stimulating marketable production half this wealth is going to waste and we have to pay foreigners to produce it. Possibly agricultural cooperation.

tion may yet be modified sufficiently to our needs to do all that is asked of it. ....For at least 15 years there has been a concerted effort to introduce it, so far with pitiable results. Surely it is time we asked ourselves how, where and why there has been such a lack of success, and faced facts, which we find so difficult to do, instead of indulging in pious hopes and misplaced Micawberism. This side of the agricultural question is a business problem, and we need business men to solve it, either by remodeling agricultural cooperation on lines better suited to our national genius and particular conditions, or by introducing another system altogether which will preserve for this country some of the untold millions we annually fling away by our short-sighted inefficiency."

Farm Prosperity

An editorial in The Price Current-Grain Reporter for September 16 says: "The September first crop estimate of the United States Department of Agriculture puts this year's Iowa corn crop at 449,409,000 bushels and its oats crop at 231,052,000 bushels, which means an average for each of its 213,000 farmers of more than 2,100 bushels of corn and of more than 1,085 bushels of oats. As the major part of both of these crops is marketed 'on the hoof' and as corn-fed steers are bringing all the way from $10 to $15, and hogs from $11 to $12.50 on the Omaha market, there does not seem to be any immediate need for the legislative farmer doctor in that particular section of the country, no matter how vociferously his would-be friends may be calling for help. Of course there are farmers in Iowa, just as there are farmers in other States, and just as there are doctors, lawyers, merchants, clerks and laborers from one end of the country to the other, who have made no money during the past year, but we do not feel that to be a situation calling for a raid upon the Federal Treasury, and we are confident every aggressive and self-respecting man in each of those callings feels the same way about it."

Fire Prevention Week

Plans for the national observance of Fire Prevention Week, designated by proclamation of the President to begin Sunday, October 4, are being made in hundreds of communities throughout the country, according to reports received by the insurance department of the Chamber of Commerce of the United States. These reports, it is said, indicate that the observance this year will be more general and on a wider scale than ever before. "As Fire Prevention Week is primarily a means of educating the public to eliminate fires caused by carelessness," the Chamber's insurance department says, "much of the activities carried out in the various communities will be devoted to publicity and other educational features. Special exercises in the schools, the inspection of homes by school children, essay and poster contests, fire alarms demonstrations and other methods will be used to arouse the interest of the children. Addresses at mass meetings and other gatherings, sermons by the clergy, radio talks, parades and demonstrations and the use of posters and stickers are some of the ways in which the attention of adults will be enlisted. Fire prevention work, especially when carried on throughout the entire year," the department points out, "has helped many communities throughout the country to reduce their fire losses. Last year, cities reporting in the Inter-Chamber Fire Waste Contest achieved a reduction in property losses of nearly 11 per cent from their average of the preceding five years. Their per capita loss was $3.24 as compared with about $5.00 for the country as a whole." (Press statement, Ch. of Com. of U. S., Sept. 21.)

German Flour Duties

An editorial in The Northwestern Miller for September 16 says: "The imposition of heavy and discriminatory duties on flour imports into Germany threatens to become a two-edged sword in its effect upon American exports. According to the Amsterdam correspondent of The Northwestern Miller, reduction of foreign flour purchases by Germany will mean a serious loss of business to Dutch millers, who have done a large trade in the Rhine provinces, and these millers will be compelled to replace the loss through increased distribution in home markets. If this analysis is sound, American mills are confronted, not only with the loss of German trade, but with the certainty of strong competition in their trade with the Netherlands. ...."

Rail Rates

An editorial in The Wall Street Journal for September 21 says: "Perhaps somewhat tardily, western railroads have made it clear that their decision to ask for only a 5 per cent rate advance, in the face of their demonstrated need of more, was taken in the hope of expediting emergency relief. One may still wonder whether the reduction was not in some degree influenced by the fear that shippers would be tempted to support 5 per cent under the Potter plan in order to stave off 10 per cent. But spokesmen for the western executives have now given frank warning that they will apply for further upward revision of their schedules if and when it is demonstrated that the first 5 per cent is not enough. Something must be left to the future volume of traffic to determine. Western executives have at no time felt great confidence in the helpful attitude of shippers in their territory. They find now that assigned dates for hearing of opposition testimony have been strung out to the middle of December. To say, as one New York banking house does, that 'interests which have been in the past hostile to the railroads are in fact ready to adopt a far-sighted and fair attitude,' is to beg the question. Ninety-nine out of every hundred persons want to be fair, or think they do. Indeed, the same banking house points to the presence at the Chicago hearing of 250 representatives of shippers' organizations, 'evidently prepared, irrespective of the present needs of the northwestern carriers, to resist any adequate increase in rates.' Their desire to be fair appears to be an introspective mood. That the northwestern roads as a group are in greater need of rate relief than most other western carriers is clear. The question arises whether special treatment for their benefit is feasible. Executives of the northwestern roads are fearful of any procedure which would give them a greater rate advance than the remainder of the West, because of its obvious economic disadvantages. It is whispered, truly or not, that certain southwestern carriers would be secretly delighted to see the Northwest given a substantial rate advance and themselves denied the boon. Special treatment of the northwestern roads without disturbance of territorial rate relationships could be obtained under the Potter plan or some modification thereof. As proposed, it would give all carriers in that section except the Great Northern a substantially greater revenue under a 5 per cent advance than they would get from the same advance unpooled. Burlington and Union Pacific would not, but they operate only partly in the Northwest and are not in such great need as their northern neighbors. Under an annual readjustment of the basis of division the benefits of the Potter plan would shift with shifting conditions. If prosperity rose in the Northwest and fell in the Southwest the carriers of the latter section

would automatically take the places of the former as the chief beneficiaries of the pooled rate advance. The Commerce Commission could, moreover, brings its operation to an end whenever it had served its purpose and was no longer needed."

Section 3

Department of Agriculture

An editorial in The Journal of Commerce for September 21 says:

"A good many symptoms that the cotton season is nearing its close are making themselves evident. One of the most characteristic is the breaking out of the usual discussion as to whether the Department of Agriculture can or cannot do something more for the farmer. A southern representative calls upon it to make known its figures showing the abandonment of cotton acreage and to do this in connection with its next cotton report. The department answers that it has no considerable body of such figures and has made no general inquiry this month, but that on October 18 the usual abandonment inquiry will be undertaken. This ought to be a sufficient reply, but is hardly likely to be so regarded by the cotton 'boosters' in Congress. On the whole the cotton reports of the Department of Agriculture have during the past season been distinctly closer to the known and ascertained facts than they were a year ago. In its first one or two reports the department made some rather wild estimates, but these were later corrected, and there was no apparent disposition to move against the well ascertained conditions known to the trade. Mill men and trade buyers at the opening of the season had made a vigorous protest against the continuation of the crop statistics on a semi-monthly basis, expressing the opinion that they tended to disorganize the spot market, and hence to place the actual buyer of real cotton in a less favorable position than he otherwise would be as compared with the speculator. The department, on the other hand, contended that the semi-monthly report was beneficial to the farmer and that its duty lay primarily on the side of the farmer. Ordinarily, therefore, protests from manufacturers or actual cotton buyers are ignored. In this particular instance the department pointed with much justice to the fact that Congress had made a mandatory provision for a semi-monthly report and that it was, of course, called upon to comply therewith. The fact that during the past season the cotton reports have been more active or less disturbing, or both, may be the result of more experience, but is hardly likely to be thought of as such, due to the fact that, after all, the department has been in the reporting business for thirty years or more, and its semi-monthly reports are prepared practically on the same basis as its figures when given out on a monthly basis, the chief difference being found in the degree of correction that can be applied under the one method as compared with the other. Harmony between the Government figures and those of the different branches of the trade is partly accidental and partly perhaps due to the effort on the part of Government estimators to avoid bias on the side of the farmer. The noteworthy thing is that, in proportion as the figures become more conservative and nearly accurate, they are less satisfactory to the self-styled friends of the farmer, who apparently want to have the department do what it can to insure speculative advances in current price. That is the meat of the present controversy between the department and the southern interests about the abandonment figures. No matter how skillful or careful the Government staff may be, it will never escape criticism in this matter so long as it continues to give out crop estimates....."

Section 4
MARKET QUOTATIONS

Farm Products Sept. 21: Maine sacked Irish Cobbler potatoes $2 to $2.35 per 100 pounds in eastern cities; bulk stock $1.35 f.o.b. Presque Isle. Barrels of eastern Jonathan apples were jobbing at $4.50 to $5.50 in eastern cities with Grimes at $4.50 to $5. Virginia yellow sweet potatoes ranged $3.50 to $4.50 per barrel in eastern cities; $3.25 f.o.b. Eastern Shore points. New York Elberta peaches mostly $2.25 to $2.50 per bushel basket in leading markets; $1.75 to $2 f.o.b. Rochester. New York domestic type cabbage ranged $10 to $25 bulk per ton in eastern cities; $9 to $12 f.o.b. Rochester. New York and midwestern yellow onions mostly $2.25 to $2.75 sacked per 100 pounds in consuming centers.

Chicago hog prices closed at $13.55 for the top; bulk of sales $12.10 to $13.40; Beef Steers (1100-1500#), choice $14.25 to $16.40; good $10.50 to $14.50; medium $8 to $11. Heifers good and choice $8 to $13; common and medium $5.50 to $8.50; cows, good and choice $6.15 to $9.75; canners and cutters $3 to $4; Vealers, medium to choice $11 to $14.50; heavy calves, medium to choice $5.25 to $8; stocker and feeder steers, common to choice, $5.25 to $9; fat lambs (light and handyweight), medium to choice $13.75 to $15.50; yearling wethers, medium to choice $9.50 to $12.50; fat ewes, common to choice $4.50 to $8.25; feeding lambs, medium to choice $14 to $16.

Grain prices quoted September 21: Minneapolis - No. 1 dark northern $1.49 to $1.69. No. 2 red winter Chicago $1.73; St. Louis $1.75 to $1.77; Kansas City $1.71. No. 2 hard winter Chicago $1.55 1/4; St. Louis $1.65; Kansas City $1.62 to $1.66. No. 2 mixed corn Chicago 87 3/4¢; Kansas City 89¢; No. 3 mixed corn Minneapolis 79 1/2¢. No. 2 yellow corn Chicago 88 1/2¢; St. Louis 89¢; Kansas City 91 1/2¢. No. 3 yellow corn Chicago 87 1/2¢; Minneapolis 83 1/4¢; No. 2 white corn Chicago 88 1/4¢; St. Louis 89 1/4¢; Kansas City 88 1/2¢; No. 3 white oats Chicago 39 1/4¢; Minneapolis 35 3/4¢; St. Louis 41 1/4¢; No. 2 white oats Kansas City 41¢.

Closing prices on 92 score butter: New York 48 1/2¢; Philadelphia 49 1/2¢; Chicago 46 3/4¢; Boston 48¢.

Middling spot cotton in 10 designated spot markets down 16 points, closing at 23.84¢ per lb. New York October future contracts declined 15 points, closing at 24.03¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 21,	Sept. 19,	Sept. 20, 1924.
20 Industrials	146.11	147.73	103.85
20 R.R. stocks	103.18	103.68	89.81

(Wall St. Jour. Sept. 22.)

DAILY DIGEST

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Vol.XVIII, No. 71 Section 1 September 23, 1925.

COTTON FORECAST A Raleigh, N.C., dispatch to the press to-day says: "Commissioners of Agriculture of the cotton States have their own ideas about the size of the new cotton crop. The North Carolina Commissioner, William A. Graham, back from a meeting of the Commissioners in Memphis, reports that the Commissioners estimate the crop nearly 1,000,000 bales under the latest Federal forecast. 'The organization formed at the Memphis meeting,' Mr. Graham said, 'believes the 1925 cotton crop will be less than 13,000,000 bales. It recommends that this crop should sell for not less than 30 cents a pound, and that cottonseed should bring not less than $40 a ton.' The Commissioners are of opinion that the States themselves should make reports on the acreage, condition and prospective yield."

DEPARTMENT REORGANIZATION An editorial in The Philadelphia Ledger for September 23 says: "When Senator Edge, of New Jersey, suggests the President be given full powers to reorganize the Federal executive departments he proposes something Congress will be slow to grant. Some such drastic action may be needed, but it can not be regarded as very probable.....Everybody admits the need of a reshuffling, a reorganization and the cutting out of dead timber. It is hard, however, to find a dozen members of Congress who agree on just what should be done. This tangle is about as old as the Government. There were reorganizations in 1849, 1870, 1903 and 1913, but departments and bureaus have been constantly added...Like Presidents Taft and Harding, President Coolidge has been a consistent supporter of departmental reform. In both his annual messages he has urged reorganization. On last December 3 he told Congress: 'One way to save public money would be to pass the pending bill for the reorganization of the various departments. This project has been pending for some time and has had the most careful consideration of experts and the thorough study of special congressional committees. This legislation is vital as a companion piece to the budget law.' Just how much money would be saved is a question, but Senator Curtis, Senate Republican leader, and Secretary Hoover have estimated the savings at $250,000,000 a year. Undoubtedly the economies would be great, and the gains in business efficiency would be even greater. ....During the war Congress unwillingly passed the Overman act, authorizing the President to make departmental changes. This was repealed by a Congress jealous of its powers at the end of the war. Senator Edge would solve the problem by a similar act. Doubtless this would be the simplest way to a Federal house-cleaning; but Congress being Congress, his proposal has a little less than the Chinaman's well-known chance, unless some miraculous change comes over Capitol Hill."

ORIENTAL WHEAT USE A London dispatch to the press to-day states that the Chinese are giving up eating rice. So are the Japanese. After being famous from time immemorial as nations looking upon rice as others look upon bread, they are turning to wheat as their staple food and baking it into cakes which can not be eaten with chopsticks, so maybe chopsticks too are doomed.

Section 2

Agricultural Legislation

An editorial in The Journal of Commerce for September 19 says: "What the American farmer needs and has a right to exact as his due more than any other one thing is actual sincerity and truthfulness in his relation with the National Government. Announcement that there is only a poor prospect for new farm relief proposals through Congress and that the administration is losing confidence in a more general legislative program than was indicated last winter merely acknowledges a generally recognized state of things. What was recommended last winter, however, was nothing more than some further cooperative marketing enactments of a rather vague and nebulous type....The farmer does need Federal legislation, and needs it badly. First of all, he has a right to complain of the rotten banking conditions which have been allowed to exist throughout the agricultural region and which have resulted in closing last year much over 750 banks and will certainly close several hundred in the course of this current year. Instead of that, our national legislators are apparently getting ready to permit the passage of a further piece of banking legislation which will aggravate the dangerous conditions and make things worse rather than better. Secondly, the farmer needs the enactment of legislation which will cut his cost of living. He is not protected by the tariff on farm products in any appreciable degree, yet he has to pay tribute to labor through excessively strict immigration laws and to certain groups of business through unduly high discriminating tariffs on materials which he badly needs. He has the worst of the bargain, and he ought to change his position in that regard at no distant date. Thirdly, he needs better and cheaper transportation and much more of it, but he is being misled. into the belief that by starving the railroads he is likely to find himself very much better off. The truth of the matter is that he would be helped more than in any other way by enactments and changes in rates which would encourage intensive railroad development in the farming regions and would bring the farm materially nearer to market than it is to-day....."

British Farm Horse

An editorial in Country Life (London) for September 12 says: "It looks as though two quite large and important birds could be killed with one stone. For a long time there has been great lamentation about the shortage of 'military' horses, which is put down to the fact that the half-bred horse is gradually vanishing and leaving us with little between the thoroughbred and the heavy draught horse. This is, unfortunately, true; and the utility horse obviously can not be restored until there is a sound economic demand for his services. Fortunately, there is a place where he is greatly needed--on the farm. Within recent years many visitors from the Dominions have drawn attention to our slow farm horses and have endeavored to persuade our agriculturists that one means of fighting the present agricultural depression is the policy of speeding up the horse-labor employed. This does not mean that the whip is to be more frequently applied to our existing teams, but that these should be replaced by a more active type of horse, which, in the course of a day, will cover more ground, and thereby effect economies in working. Some few months ago, for example, Mr. R. J. Young, an Australian, lecturing in this country, gave as an instance the case of Australian horses, which, in fairly heavy work, walk from fourteen to sixteen miles per day, whereas under English conditions the ploughing of three-quarters of an acre per day corresponds to a walking distance of something over eight miles....."

Cattle Ranch Incomes

A Minneapolis dispatch to the press to-day states that a fairly reliable idea of the income of ranchers in North Dakota is gained from th result of a survey just completed which covered a group of typical cattle ranches in that State. The average income of the group was $5,760 in 1924, more than half of which came from the sale of cattle. The average size of the ranches was nearly 5,000 acres, so that the income was slightly better than $1 per acre.

Farm Taxes

An editorial in The Journal of Commerce for September 21 says: "....One of the really formidable drains upon the farmer's income, especially in those Western States which customarily call most loudly for relief from freight charges, is the taxes which those same States levy upon the farmer's real property. It is by no means an accident that rural discontent is most vocal in the Northwestern, Midwestern and Southwestern States, which derive over 90 per cent of State and local revenues from the general property tax. In these groups of States farm taxes are estimated to have expanded until they absorbed 17 per cent or more of farm income by 1923. In individual cases, of course, taxes greatly exceed these averages. The burden has been not only heavy but progressive, because tax levies have been raised during a time when prices have been falling following inflation. Moreover, some of the Western States themselves by unwise, paternalistic experiments in farm aid have increased the rural tax burdens of the very people whom they set out to relieve. It is not only the absolute amount of farmers' tax burdens that makes them so oppressive. If general property taxes bore with equal weight upon all rural sections, or if they were levied with some reference to the actual incomes of the taxpayer, they would be stripped in part of their objectionable features. Unfortunately, the general property tax as applied in the United States shows extraordinary variations from State to State and from county to county. Then there is the further misfortune that land assessed for taxes is usually valued on a sales instead of an income producing basis. Considering the large elements of purely speculative value that have become incorporated into land assessments for tax purposes, it is easy to understand the difficulties with which farmers must contend....If we are seeking fundamental remedies for agriculture--and the need for them exists even if there is no immediate pressing emergency to absorb public and official attention--rural tax reform offers abundant opportunities....."

Grain Trade and Trade Commission

An editorial in The Journal of Commerce for September 22 says: "Brief summaries of the latest instalment of the report of the Federal Trade Commission on the grain business are insufficient to throw much light upon the detailed findings. They do apparently bring out an interesting point of view which the commission in years past has taken from time to time in other connections. This relates to the general attitude adopted toward future trading which, of course, is the same in principle, whether it be pursued in connection with cotton, wheat or other commodities. The Trade Commission, according to the report, finds that 'one of the most important and significant facts statistically demonstrated is the downward bias of the future market.' What is meant by this statement is that figures running over a series of years show that in the earlier months of trading future prices fall short of the price subsequently attained just before or during the months of delivery. In other words, the tendency of the future price is to understate the ultimate price. An explanation for it is found in the practice of

of selling 'hedges' during the heavy marketing season. As a result the effect of future trading is stated as being a tendency to depress the new crop option, future prices being usually at a discount below the cash price. As already stated, this point of view is one which has in the pas been expounded by the commission and is apparently an outgrowth of the view that transactions on the cotton and grain exchanges are in some way injurious. Of course, all these arguments, familiar as they are for many years past, entirely fail to take into account the question whether very much wider fluctuations would not take place if we did not have the system of future trading and hedge selling which now prevails. They ignore especially the disturbances that would inevitably result in price levels if every individual were obliged to protect himself by actually buying and storing products as he needed them to cover his future operations as, for example, in textile manufacturing. In other words, the commission and other observers of market conditions invariably overlook the question whether prevailing methods of making prices for staples are not very much to be preferred to those which seem to be advocated by critics who want to abolish future trading. As for the view that the prices of future options 'tend' to be below cash prices it would seem that this is little more than a wordy and tedious elaboration of the familiar fact that a bird in the hand is worth two in the bush. Seldom indeed would any buyer of a commodity be willing to pay as much for it on a future basis as he is at the present time unless he has absolute knowledge that factors not generally recognized will intervene meanwhile to create shortage and put prices ahead....."

Karakul Sheep in Texas

An Austin dispatch to the press of September 22 states that from a small flock of karakul sheep brought to Texas from the remote interior of Asia by Dr. C. C. Young less than twenty years ago, there has been an increase until the industry has become of much importance in many parts of the Southwest. As evidence there has just been incorporated at El Paso the American National Karakul Breeders' Association. The incorporators are Dr. C. C. Young, C. M. Newman and Charles B. Loomis. A few years before the outbreak of the World War, Doctor Young went to Asiatic Russia and far into the mountains. He finally obtained permission to bring out a few head of the sheep, which have been noted from time immemorial for their fur and fat tails. This little flock reached Texas after spending several months on the road. The sheep proved admirably adapted to the climate and other conditions of Texas, and multiplied rapidly. The new association purposes, to compile a list of all breeders of karakul sheep and to maintain the purity of the breed.

Peanut Prices

An Albany, Ga., dispatch to the press of September 22 states that the Georgia Peanut Growers' Cooperative Association will allow an advance of $50 a ton on No.1 grade nuts and proportionate amounts on lower grades. Although the nuts are expected to bring $90 a ton when the season gets into full swing, the price paid for the first lot sold, at Pavo, Ga., brought only $85. Last year, when peanuts were selling at $110 a ton, an advance of $5 was allowed.

Section 3

Department of Agriculture

1 An editorial in The Price Current-Grain Reporter for September 16 says: "The ruling of Secretary of Agriculture Jardine in the Armour-Morris case that the merger is legal is certainly gratifying to business and the country at large. It indicates that sanity and common sense are beginning to prevail. For good business to continue, it is necessary that those who have the management of the business interests of the country be not continually harassed as they have been in the past by investigations and threatened with adverse legislation. Too much time and energy have been spent in fighting for rights granted business under the Constitution, which if employed in the promotion of business itself would keep the wheels of industry moving at top speed. The country is to be congratulated by the action of Secretary Jardine."

2 An editorial in Farm, Stock and Home for September 15 says: "If the reports of the Agricultural Department on intention to plant are used as the department expects them to be, that is as a basis for deciding the acreage actually to be seeded or planted, they can be made very valuable... Some people have an idea that dollar wheat will never come again. As a matter of fact, 75-cent wheat is around the corner, unless some economic sense can be pounded into the heads of the wheat producers. Figures of the actual acreage seeded to winter wheat will give a line on whether any progress has been made in getting them to see the light."

3 An editorial in Butter, Cheese and Egg Journal for September 16 says: "According to reports from Washington deep laid plans are being hatched by Federal officials to get behind the cooperative selling movements. They seek to direct the activities of cooperative marketing associations by controlling them. If these reports are correct we can see trouble ahead, not only for the officials whose intentions are undoubtedly good, but for the cooperative movements that they would aid. It is difficult for any Federal official to have anything to do with anything unless he controls it. His authority to act is generally based on his having authority to control. Federal officials tinkering with cooperative marketing organizations will arouse the antagonism of the very interests that the officials would help. They don't want the paternalistic solicitude of the Government or the red tape that such solicitude would carry with it. And surely business men who compete with cooperative marketing associations will not blister their hands applauding any such move by Federal officials. If they want any advice from this direction they are welcome to it. It is to stay out."

4 An editorial in The Price Current-Grain Reporter for September 16 says: "A newspaper dispatch states that economists of the Federal Bureau of Agricultural Economics and the University of Minnesota are cooperating in an investigation and study of the organization and management problems of farmers' elevators in Minnesota. The object of this investigation is to determine the best type of organization which a federation of farmers' elevators should have and what its functions should be. It is to include marketing problems such as hedging, storing, financing, selling, handling side lines, market outlets, etc. To those experienced in the grain business, this continual dabbling in such matters by university professors and others with as little practical knowledge of the grain business may be summed up in the slang word 'bunk.' Individuals and cooperative elevator concerns will succeed or fail depending entirely on the management. Some have the natural ability to make a business thrive and prosper while every

line is strewn with financial wrecks. There is no doubt but there are other lines of activities which could be followed by these economists which would prove more beneficial to the community at large."

Section 4
MARKET QUOTATIONS

arm Products Sept. 22: Grain prices quoted September 22: No.1 dark northern Minneapolis $1.48 to $1.68. No.2 red winter; St. Louis $1.74 to $1.78. No.2 hard winter Chicago $1.55 1/2; St. Louis $1.63 1/2. No.2 mixed corn Chicago 88 3/4¢; No.2 yellow corn Chicago 89 1/4¢; St. Louis 88 3/4¢; No.3 yellow corn Chicago 88 1/2¢; St. Louis 89 1/2¢. No.3 white oats Chicago 39¢; St. Louis 41¢.

Chicago hog prices closed at $13.55 for the top; bulk of sales $12.10 to $13.30; Beef steers, choice $14.25 to $16.25; good $10.50 to $14.50; medium $8 to $11; common $6.25 to $8; Heifers, good and choice $8 to $13; common and medium $5.50 to $8.50; Cows, good and choice $6 to $9.75; vealers, medium to choice $11 to $14.50; heavy calves, medium to choice $5.25 to $8; stocker and feeder steers, common to choice $5.25 to $9; fat lambs (light and handyweight) medium to choice $13.25 to $15.25; yearling wethers, medium to choice $9.25 to $12.25; fat ewes, common to choice $4.50 to $8.25; feeding lambs medium to choice $14 to $15.85.

Maine Irish Cobbler and Pennsylvania Round White potatoes were selling on about the same level of $2.10 to $2.35 sacked per 100 pounds in eastern markets; bulk Cobblers and Green Mountains $1.30 to $1.40 f.o.b. Presque Isle, Maine. Virginia yellow sweet potatoes closed at $4 to $4.50 per barrel in leading city markets; $3.50 to $3.75 f.o.b. Eastern Shore points. Domestic type cabbage from New York was selling in city markets at a range of $12 to $25 bulk per ton and $9 to $12 f.o.b. Rochester. Eastern apples, red fall varieties, ranged mostly around $4 to $5 per barrel in terminal markets; $3.50 to $4.50 f.o.b. New York Elberta peaches ranged $2 to $2.75 per bushel basket in consuming centers; mostly $1.75 to $1.85 f.o.b. Rochester. New York yellow onions $2 to $3 per 100 pound sack in a few eastern markets; $2 to $2.25 f.o.b. Rochester. New York Concord and Worden grapes in 12-quart climax baskets sold at 90¢ to $1 in the East.

Middling spot cotton in 10 designated spot markets advanced 9 points closing at 23.93¢ per lb. New York October future contracts advanced 13 points, closing at 24.16¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 22,	Sept. 21,	Sept.22,1924
20 Industrials	145.74	146.11	103.25
20 R.R. stocks	103.41	103.18	89.50

(Wall St. Jour., Sept. 23.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 72 Section 1 September 24, 1925

THE COTTON REPORT The New York Times to-day says: "Though all private estimators had reduced crop figures all the way from 43,000 to over 900,000 bales from the promise of two weeks ago, the Department of Agriculture raised the official figures 191,000 bales, from 13,740,000 to 13,931,000, and caused a great deal of excitement on the three large cotton exchanges yesterday. As prices had advanced steadily recently, owing to the prevalence of smaller crop views, the rush to unload long cotton precipitated a break of over $7 a bale, with final quotations 78 to 86 points lower than Tuesday's closing....."

The New York Times to-day quotes Edward E. Bartlett, jr., former president of the New York Cotton Exchange, as declaring yesterday that the only conclusion to be reached was that this report or the previous ones made by the Government must be incorrect. "Inured as the cotton trade is to the shocks and surprises of these Government reports," Mr. Bartlett said, "the figures announced yesterday are bound to revive the general dissatisfaction over the present system of crop reports. The average of private crop reports for a similar period indicated a reduction of approximately 500,000 bales in the yield. With the very unfavorable condition which prevailed it seems incredible that an actual increase in yield could be forecast, and the only conclusion to be reached is that the previous or the present Government figures are incorrect. It will be difficult to convince the cotton trade that both can be right, and the result has been only to create confusion and criticism."

TEXAS PRODUCTS BARRED A Dallas dispatch to the press to-day states that the sweeping embargoes placed against two basic Texas industries--livestock and agriculture--because of the hoof and mouth disease outbreak in south Texas, were increased yesterday to ten. Mississippi, South Carolina, Georgia and Vermont banned shipments from any part of Texas, either of livestock or farm products, including cotton. Arizona placed a quarantine on livestock, hay, straw and kindred shipments. The embargoes represent the most comprehensive ever levied against Texas, railroad men declare, and unless soon modified, will result in serious interruption of interstate commerce. The latest embargoes curtail the movement of farm products, fruits, and vegetables from all sections of the State. Yesterday it was announced that Alabama had modified its embargo to include only shipments from the affected area of some seven or eight counties in southern Texas. The Mexican embargo on animals and animal products was likewise modified. An Albany, N.Y.,dispatch states that an embargo against cattle and cattle products from Texas has been declared by the New York State Department of Farms and Markets.

RUBBER SEEDS FOR FILIPINOS A Manila dispatch to the press to-day states that the Senate September 22 passed a bill appropriating approximately $30,000 annually for the free distribution of rubber seeds to farmers. The sponsors of the bill hope thus to develop the rubber industry on a large scale in a few years. The bill goes to the House.

Section 2

Beef Cattle Production Readjustments

Commerce Monthly (New York) for September contains a lengthy article on postwar readjustments in beef and cattle production. This says: "The acute difficulties which cattle raisers have faced during the last few years may be traced in the main to the readjustment which was necessary following the change in demand caused by the war. Now that this readjustment is well along toward completion, however, it becomes necessary to study the long-time trend of developments which was in evidence before the war, if the future of the industry is to be appraised correctly. No longer can the export market be considered a factor of permanent importance to cattle producers in the United States. The free ranges of the great western frontier which made possible shipments abroad of huge quantities of beef and cattle in the last century and at the beginning of this one have disappeared. The competition in foreign beef markets of frontier cattle land in South America and Australasia, the consuming power of a growing population at home, and the consequent pressure of other farm enterprises for the use of land had before the war eliminated net exports of both beef and cattle and greatly reduced the beef herds of the country. In response to the stimulus of abnormal European demand for beef created by the war, coupled with difficulties of transporting sufficient quantities of beef from Southern Hemisphere producers under wartime conditions, the beef herds of the United States were again built up, increasing by a third in five years. The export market was lost almost immediately after the close of the war. Producers were faced with the necessity of getting rid of this increment of beef cattle, produced under high-cost conditions, in a domestic market which had undergone only normal growth and which during part of the time was flooded with cheap pork. Until the spring of 1925 pressure of cattle supplies cut short promising advances in price, but the burdensome surplus seems at last to have been eliminated. The liquidation of this surplus stock inherited from wartime expansion is only the first step, however, in the postwar readjustment which must be made by producers of beef cattle in the United States. In 1914 exports of beef had disappeared so recently that it is by no means certain just what would have been the future of the cattle industry had not the war intervened. Much of western agriculture as of cattle raising was and still is in the midst of transition from the exploitive frontier type of operation to the type which does not depend continually for its profits upon new resources. The problem which now awaits the cattleman is to find the place of beef production in this permanent agriculture....."

Florida Citrus Fruits

An editorial in The Florida Times-Union for September 22 says: "Shipping the first grapefruit of the season a few days ago, the Land of the Manatee is again taking place as leader in the movement which will later become general from the citrus producing sections of the State. The shipment reported from Palmetto, in Manatee County, consisted of several carloads, and the fruit had been officially tested and pronounced in good condition. It was well-colored and of good, marketable size. The announcement that Florida grapefruit and oranges will soon be available in markets of the country is something that will be of general interest.... Florida may be thought by some who have not yet come this way to be entirely engrossed in the sale of real estate and the building of homes for homeseekers and hotels and apartments for winter visitors. The inspection of some of Florida's wonderful citrus groves will reveal the fact that owners and others concerned in the sale and shipment of oranges and grapefruit are very busy getting ready to send out a great crop of golden fruit. Extensive advertising has resulted in the demand for Florida fruit in the most remote sections of America."

Grain Trade and Trade Commission

An editorial in The Wall Street Journal for September 23 says: "In its study of grain marketing the Federal Trade Commission has made a discovery. Here it is: 'One of the most important and significant facts statistically demonstrated is the downward bias of the futures market.' According to this official authority, if futures prices are lower than spots at any time, futures trading must be harmful to producers. To agree with the commission one must take assertion for fact and ask no questions. Why does cash wheat at Chicago to-day sell for more than wheat on contract for delivery in December? For sinister reasons, in the opinion of the Trade Commission. All text-book writers on economics place great emphasis upon the desire for present consumption over that of future consumption. The near is more valuable than the remote. A hungry man would pay more for a loaf in hand than for one under an agreement to be delivered to him next May. A miller having a call for flour might pay more for wheat to fill that order than he would for wheat which he could only use six or eight months hence. But if a farmer can sell his wheat for cash to-day at a better price than he could obtain under a contract for its delivery some months hence, is he hurt or helped thereby? There will always be fluctuations in the futures markets. There can be no help for it. But can the Commission find any commodity that is sold on as close a margin as those dealt in on the futures markets? The producers of those commodities get a larger proportion of the ultimate consumer's price than of any other products of the soil. If there were no opportunities for hedging transactions a buyer of wheat or cotton for use months hence would be assuming grave risks and courting bankruptcy. Naturally, he would pass all the risk he could evade to the farmer by paying him less. Mercantile transactions to-day always carry the risk in the price. Someone must bear the risks of any business. Future trading relieves the farmer of the risk. Eliminate futures and the farmer must bear the risk through a greater spread between what he receives and what the dealer gets. This 'downward bias' seems to exist mostly in a biased investigation."

London's Meat Trade

W. R. Dunlop is the author of an extensive study of London's meat trade in The Economic Journal for September. He states that the total quantity of meat and allied produce distributed from the London Central Markets in 1924 was 480,520 tons, which may be accepted as being approximately London's consumption of raw meat commodities at the present time. By London he means Greater London, comprising the Administrative County and outer fringe of urban districts, which according to the census of 1921 contained 7,480,201 persons, a figure which at the present time has probably risen to close upon 8,000,000. Of the 480,520 tons mentioned, 265,308 tons consisted of beef and veal, of which 82.9 per cent was imported mainly from the Argentine; 133,684 tons consisted of mutton and lamb, of which 82.5 per cent was imported, mainly from New Zealand and Australia; 50,280 tons consisted of pork, of which 63.3 per cent was imported, mainly from the Netherlands; 18,383 tons of poultry and game, of which 31 per cent was imported, and 12,865 tons of butter, eggs and rabbits, of which 61.2 per cent was imported. The total quantity of butcher's meat--beef, mutton and pork--amounted to 449,272 tons out of the whole 480,520 tons of raw meat commodities. Assuming the above population of 8,000,000, this gives a weekly consumption per capita of 2.41 lbs. of butcher's meat. The author says: "These figures show the great magnitude of the London meat trade and the principal sources of supply.

But what I shall be most concerned with in this paper is economic elucidation and relationships, and therefore I propose to commence with a general abstract consideration of the laws of supply and demand, leading up to special aspects of the retail trade in particular, which I have investigated."

Wheat and Exchanges

An editorial in The Journal of Commerce for September 23 says: "Although the European wheat crop is reported to be about 26 per cent above that of last year, the Department of Agriculture estimates that the world increase will not exceed 8 per cent. As the carryover from 1924 is, however, much below that of the preceding year it is not believed that differences in total supply will be very material. At any rate there is no reason to expect any marked reductions in price on the basis of existing conditions. Even if high prices continue to rule, it is none the less true that the European countries which have had good harvests will find their financial difficulties considerably lightened by the reduction in the amount of wheat imports....So long as Europe continues to exist in a condition of unstable economic equilibrium dependence upon foreign foodstuffs will remain a particularly serious matter. Countries with uncertain currencies and inadequate trade balances are greatly aided in their efforts to achieve financial stability by being able to rely upon the products of domestic agriculture. Prior to the war, a crop shortage unless profound and widespread hit individuals chiefly. The consuming public as a whole might not be in the least affected if local shortages happened to be counterbalanced by foreign abundance. To-day all this is altered. Agrarian duties may affect the prices of imported foodstuffs and increase living costs proportionately, while the depressing effect of heavy imports upon exchange rates often means further currency depreciation and thus indirectly higher living costs for all."

Section 3

Department of Agriculture

1 An editorial in The National Stockman and Farmer for September 19 says: "Farmers have long realized that birds are their most valiant allies in the perennial battle against insects that prey on plant life. This fact alone makes conservation of wild life of prime importance to agriculture. In addition we have learned the recreational value of wild life refuges, and that the permanent development of the country calls for consideration of saving areas in their natural state. In this connection we welcome the initial steps that have been taken by the Department of Agriculture to purchase lands for the creation of the Upper Mississippi River Wild Life and Fish Refuge, provided for by act of Congress two years ago. This land is of little value for other things but is ideal for wild life. It is a valley three to five miles wide, mostly overflowed in high water and interspersed with sloughs and bayous. In the past it has been a breeding ground for quail and ducks, while many other birds have found it a refuge during migration. The fur-bearing animals alone will be of considerable economic importance in the legitimate uses of this refuge."

2 An editorial in Oklahoma Live Stock News for September 15 says: "Partisan newspapers are making a great to do over Secretary Jardine's advice to farmers to cut down their wheat acreage. Instead of discussing the wisdom of the Department of Agriculture's word of caution the partisan press simply cites it as evidence that the present policy of this Government is to encourage production in all lines except agriculture and that

the welfare of the farmer is no longer of any moment to the authorities in Washington. This is of course a far fetched distortion of the Department of Agriculture's cautioning word to wheat growers and will not fool the farmers. They realize fully that the department's advice is not to discourage production but to balance production. In view of the prospective big production of wheat throughout the world the advice is for American farmers to grow less wheat but more of other crops and livestock. It is sound advice to diversify farming and if the partisan press objects to diversified agriculture, why not come out openly and say so. The Omaha-Journal-Stockman's objection to paternal advice from Washington as to crops and price is of a purely economic character. Even if the Department of Agriculture was capable of forecasting acreage, production, weather and prices the wisdom of doing so is still open to question. For instance, advice to cut down this fall's wheat acreage may have just the opposite effect since some wheat growers will undoubtedly take this as affording them a good chance to put in a larger acreage than usual. There has been entirely too much of this paternalism in Government. It is a growing evil and should be discontinued and discouraged by all who believe that governmental functions and activities should be simplified instead of being further complicated. When a department of the Government goes so far afield as to forecast production and prices it is certainly getting on very dangerous ground. It is a perfectly legitimate and desirable function of the department to gather and distribute all the information obtainable as to crops and prices both in this country and in other countries but the comparatively recent attempt to forecast prices and advise increasing or decreasing production is both dangerous and unwise."

Department of Agriculture 3

An editorial in Farm, Stock and Home for September 15 says: "In reporting wheat exports, the Department of Commerce makes no distinction between bread wheat and durum. This is necessary in order to get a more nearly accurate line on actual bread wheat consumption, because the Agricultural Department apparently will not (though Secretary Wallace promised to do so) make separate estimates of durum acreage and prospective yields during the growing season; the segregation of exports would be of some assistance. One of the inexplicable mysteries is the reluctance of both the Agricultural Department and the Department of Commerce to stop counting durum as a part of our wheat supply. It is unfair to the growers of both grains. We are quite sure that bread wheat prices would be higher in Minneapolis to-day if the amount of durum in this year's crop were more accurately known. There is no more logic in adding durum to our wheat crop than to doing the same with rye. Not as much in fact, for we do make break of rye. This year, it is of more than usual importance to know how much of the crop is durum, also how much is leaving the country each week, so that we can have some basis on which to base estimates of how much bread wheat we have for export and get a line on how rapidly it is leaving the country. We should also know how much of the expected Russian and North African exports will consist of durum, but this, of course, is outside the power of the United States to ascertain. Supply and demand make the price, so it certainly is not fair to the bread wheat growers to have the supply padded by a non-bread wheat."

Section 4

MARKET QUOTATIONS

Farm Products Sept. 23: Virginia yellow sweet potatoes advanced 50¢ to $1 in eastern consuming centers, closing at $4.50 to $5 per barrel and $3.50 to $3.75 f.o.b. Eastern Shore points. Midwestern yellow onions were slightly weaker in Chicago at $2 to $2.50. New York cabbage tended to recover in city markets from recent declines. At Rochester domestic type continued weaker closing at $8 to $10 f.o.b. New York Elberta peaches in bushel baskets, were selling at $2 to $2.50 in eastern markets; mostly $1.85 f.o.b. Rochester. Eastern red varieties of apples ranged mostly $1 to $1.50 per bushel basket. Potatoes 5¢ to 20¢ lower. Maine sacked Irish Cobbler potatoes $2 to $2.35 per 100 pounds in eastern markets, bulk stock $1.30 to $1.40 f.o.b. Presque Isle.

Chicago hog prices closed at $13.70 for the top; bulk of sales $12.40 to $13.40; beef steers , choice $14.25 to $16.25; heifers, good and choice $7.75 to $12.75; common and medium $5.25 to $8.25; cows, good and choice $5.75 to $7.50; canners and cutters $3 to $3.90; vealers, medium to choice, $10.25 to $13.75; heavy calves, medium to choice $5.25 to $7.75; fat lambs (light and handyweight), $13.25 to $15; yearling wethers, medium to choice $9.25 to $12.25; fat ewes $4.50 to $8.25; feeding lambs $14 to $15.85.

Grain prices quoted September 23: No.1 dark northern Minneapolis $1.45 to $1.66. No.2 red winter St. Louis $1.70 to $1.73. No.1 hard winter Chicago $1.53 3/4; No.2 hard winter St. Louis $1.62; Kansas City $1.59 to $1.64. No.2 mixed corn Chicago 86 1/4¢; Kansas City 83 1/2¢; No.3 mixed corn Minneapolis 75¢. No.2 yellow corn Chicago 86 3/4¢; St. Louis 86¢; Kansas City 84 1/2¢. No.3 yellow corn Chicago 85 1/2¢; Minneapolis 78 1/2¢. No.2 white corn Chicago 86 1/2¢; St. Louis 87¢; Kansas City 83 1/2¢. No.2 white oats Chicago 38 3/4¢; Minneapolis 34 1/2¢ St. Louis 40 1/4¢; No.2 white oats Kansas City 39 3/4¢.

Closing prices on 92 score butter: New York 49 1/2¢; Chicago 46 1/2¢; Philadelphia 50 1/2¢; Boston 49¢.

Middling spot cotton in 10 designated spot markets declined 75 points, closing at 23.18¢ per lb. New York October future contracts declined 82 points, closing at 23.34¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 23,	Sept. 22,	Sept. 23, 1924
20 Industrials	146.02	145.74	104.16
20 R.R. stocks	103.78	103.41	90.03

(Wall St. Jour., Sept. 24.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 73 Section 1 September 25,1925

SENATOR CURTIS ON UNNECESSARY BUREAUS

In an article on tax revision in the October issue of Nation's Business Magazine, Senator Curtis of Kansas, Republican leader of the Senate, declared that it would be feasible for Congress to effect a much greater reduction in taxes than the suggested $300,000,000 if the President were clothed with the power to consolidate departmental activities and "whittle down" the Government bureaucracy to a business basis. Senator Curtis announced that he would propose such legislation at the December session of Congress in connection with the program of tax reduction. He explained that while the budget system had done a great deal in reducing waste in the Government service, it had no power to eliminate a governmental activity authorized by law, however useless it might be. "It is some of these activities themselves," Mr. Curtis said, "that must be done away with, and, strange to say, some of the most useless ones have developed the strongest supporters and defenders. 'Save over there, but let us alone' is their cry." Senator Curtis said that by lopping off the useless offices in the Government and all the waste that has grown up about them an extra $200,000,000 annual saving could be made.

CIVIL FLYING AID ASKED

The press of September 24 states that the future of aviation in promoting the arts of peace as contrasted with previous testimony dealing with the adaptation of the science to plans for national defense was the outstanding feature of discussion of witnesses who appeared September 23 before President Coolidge's Air Board of Inquiry. Herbert Hoover, Secretary of Commerce, and Harry S. New, Postmaster General, who come in close contact with the Nation's business, expressed the opinion that it was the proper function of the Government to aid in the development of aviation as an industry. Dwight W. Morrow of New York, chairman of the board, stated at the outset of the hearing that as commercial aviation was necessarily a background of national defense it was appropriate for the investigators to obtain views on the industrial aspects of the question from civil officers directly concerned.

GRAIN RATES

The press of September 24 states that grain shipments from Des Moines, Ia., territory to Texas are entitled to the same rates charged for shipments from Council Bluffs, Ia., and Omaha, Neb., it was held September 23 by the Interstate Commerce Commission. A complaint filed by Des Moines shipping interests was sustained. Railroads were ordered to file new schedules before November 30. The alterations will be made in what is known as 'proportional rates' on shipments originating outside of Des Moines and the other grain centers, but moving through these points on their way to Texas. Council Bluffs and Omaha have been enjoying lower rates than Des Moines.

Section 2

Agricultural Situation

An editorial in The Wall Street Journal for September 24 says: "News dispatches from Washington say that the prospects for farm legislation this winter are not good. But why should there be any talk of farm legislation at all? When nature is effecting a cure, it is poor policy for the attending quack physician to prescribe more bleeding and more pills and plasters. Any agricultural crisis, so called, has become history, a record of past events. Washington has mixed political nostrums for the farmer without regard to the cause of the ill, or idea of the effect upon the patient. These have been forced down the farmers' throats, willy-nilly, with the hope they might do them some good, and the politicians still more. In this way the Grain Futures act was promoted, and farmers are still obliged to sell grain at world prices. The Packers act was enacted, and when there was a surplus of hogs prices did not go to a scarcity level. A 'dirt' farmer of the Federal Reserve Board was discovered to be the one thing necessary. One was provided, and still farmers were obliged to receive market returns according to the laws of economics. It was then found by these politician economists that the way for the farmers to get rich was to make it easy for them to get into debt, and the way was promptly provided.....There is no farm crisis now. The problem of the farmer is now the same as that of every business man, which is one of world purchasing power, and that is constantly undergoing improvement. World markets can not be improved by legislative methods, and the one thing for the farmer to do is to raise the best crops he can as cheaply as possible, and market them to the best advantage. Opportunities at the present are not at all dark or doubtful. Throughout the agricultural section the condition of the banks, from Canada to the Rio Grande River, is proof of the recovery of the farmers. Last summer Secretary Jardine made a trip through the agricultural States. What he saw there must have shown him that what the farmer needs is not more political doctors, but just a wholesome letting alone. Farmers themselves, assisted by nature and by the world recovery, are throwing off all the bad effects of the postwar deflation period."

Business Conditions in Canada

"Frank R. Kent, one of the editors of the Baltimore Sun, has recently written a series of extremely interesting letters from Canada about the business conditions in that country. According to his statements, the leading business men of Canada are greatly depressed by the lack of progress and prosperity in that country, and are amazed at the prosperity of the United States in contrast. In his letters he gave many reasons for this condition of affairs, but we do not think Mr. Kent struck the keynote which tells the story of the depression in Canada. Canada has a banking system which, literally, saps the vitality of that country to enrich a few interests and a few great banks in Montreal and Toronto. Its branch banking system, we believe, has been one of the greatest curses which Canada has had to endure, and that curse we have long believed is responsible for much of the serious condition under which the farmers and others of Canada are laboring. Many reasons can be given for the situation there, but primarily, in our opinion, Canada's branch banking system is the outstanding evil of the country. The Canadian system is in direct contrast with that of the United States; but, unfortunately for our future, there is a widespread movement in this country on the part of big banking interests to develop a branch banking system which, if ever it could be carried out to its logical conclusion, would drain the wealth of the country to a few great financial centers and impoverish millions of people, while adding enormously to the wealth of a few great financial centers." (M'f'rs. Rec.,Sept. 24.)

Cooperation An editorial in Wallace's Farmer for September 18 says: "We have talked a good deal about the need of a closer relationship between general farm organizations and cooperatives. A step of the sort we have been advocating was taken last week by the Iowa Farm Bureau Federation and the Iowa Federation of Cooperative Livestock Shippers. The shippers, while retaining their identity and keeping control of policies in the hands of their own board, have contracted with the farm bureau for certain services which can be performed more cheaply under one head. The shippers will use the farm bureau headquarters, will make use of the farm bureau force in office work, and will employ the farm bureau on legal, transportation and publicity service....The interesting thing about this new relationship between the shippers and the farm bureau is that neither loses its identity or gives up any of its powers. It is simply a business arrangement whereby each group will make use of the services of the other in certain lines. Arrangements of a similar sort could be worked out in the counties, with the farm bureau or the Farmers' Union on one side and the cooperative shipping associations, elevators or creameries on the other. Amalgamations of farmers' organizations often cause hard feelings and internal troubles, but cooperation on a contractual basis, whereby certain services are furnished and paid for, seems free from these objections....."

Crop Insurance An editorial in Manufacturers Record for September 24 says: "A few years ago it would have been deemed impossible to formulate any system by which farm crops could be insured on a basis which would help the farmer and yet be safe to the insurance companies. This, however, is now being done to a very considerable extent in South Carolina under the system which we described a few weeks ago, and progress is being made in similar work in the sugar and rice growing interests of Louisiana. A great change in farming conditions in Louisiana is being wrought by this farm insurance, which, in connection with land credit banks, makes it possible for the sugar growers and the rice growers to secure money for the making of their crops on a basis on which every interest seems to be amply protected. A practical sugar grower gives an interesting account of how the matter is working in Louisiana in this issue."

Grain Futures and Trade Commission An editorial in Sioux City Live Stock Record for September 21 says: "After a reading of comments and findings of the Federal Trade Commission upon the matter of future dealings in grain and certain other products, one is prompted to bob up and ask: Is this simply another case of men who don't know anything about dealing in futures, telling how that kind of business should be run--or whether it should be permitted to run at all. It seems to us the country has had about enough of that sort of stuff for one century. Does.....Washington know how many farmers in this country deal largely in grain futures? Did it ever occur to them that there are perhaps more farmers who deal in grain options than there are of people who hang around grain exchanges in the cities?"

Irish Farm Subsidy Plan "The Government of the Irish Free State is meeting with opposition to its plan to grant a subsidy of 3 pounds (nearly $15) an acre a year for all new land put under tillage as from the present year. The object is to encourage food production--to cut down imports and to increase exports. The opposition, as might be expected, comes from farmers themselves who can't quite figure out how it is just that farmers who had hitherto entirely neglected tillage should receive a subsidy for

the future, whereas those who had struggled with it through long years of hard times should be excluded from its benefits. It is ever so with subsidies, because it is impossible to pay them with justice to all, and because they affect adversely both individuals and industries. Usually they harm most those they are intended to help." (Chic. Daily Drovers Jour., Sept. 18.)

Italy's Wool Textile Trade — Claims that Italy is capturing an increasingly large foreign market for its wool piece-goods as a combined result of its relatively low wage-scale and its exchange advantages are borne out by the official Italian trade statistics. It is particularly in the Balkans and in South America that headway has been made in popularizing Italian products and sharper Italian competition there is anticipated. In the two leading classifications of wool piece-goods the quantity shipped by Italy during the first four months of this year was 134 per cent higher than the average of the corresponding period of the last three years and far above the exports in days before the war. The trade does not include wool blankets and felts or mixed goods, all of which show satisfactory gains. (Commerce Mo., September.)

Land Reclamation — An editorial in The Pacific Dairy Review for Sept. 10 says: "We need a lot of things these days from our Government and other sources, but there is one thing we do not need and that is any extensive additions to our farming area. As time goes on our people will need all the farming land that can be developed out of our semi-arid sections, but it is a job that can be left to future generations. We are just now about ten years ahead of our population in the matter of food production."

Port Outlets — An editorial in The New York Herald-Tribune for September 22 says: "The history of the Middle West's discovery of salt water has long ago proved that the 'outlet to the sea' is a problem not confined to European nationalistic diplomacy. The St. Lawrence project is only the best advertised of the several proposals with which the West, impelled primarily by the necessity of pouring several hundred million bushels of wheat annually into Europe, has sought to remake geography and fulfill the romantic vision of a new destiny. Mr. Loree has recently called attention again to the proposed all-American ship canal through New York State which is now being studied by army engineers as a possible alternative to the St. Lawrence waterway. Chicago has entertained the lurid dream of a Mississippi waterway to the Gulf, and the Western railroads are already suffering from the curious fact that since the opening of the Panama Canal the shortest distance between two points (if one is in the farther Middle West and the other on the Atlantic seaboard) is no longer a straight line. An even more startling situation is found in the unfinished Hudson Bay Railway, from The Pas, in Manitoba, to Port Nelson, on Hudson Bay. If the estimates are sound, it is necessary only to build the remaining ninety-two miles of railroad to bring the Canadian wheat territory (and our own Northwestern wheat growers, for that matter) a thousand miles nearer to Liverpool. Port Nelson is nearly as far west as Winnipeg; it is only 200 miles farther from Liverpool than Montreal and it is actually a hundred miles nearer than New York Harbor. Canadian wheat is harvested from July to the middle of September--the Hudson Bay route is said to be open from July to November 15, and the Canadian West has drawn its own conclusions....."

World's Cotton Capacity

Alston H. Garside, director of cotton information service of the Merchants National Bank of Boston, writing in Commerce and Finance for September 16, says: "What is the world's cotton consuming capacity, and how much less than capacity was actual consumption during the past season?....In this country the largest consumption in any season in peace times was recorded in 1922-1923 when it totaled 6,666,000 bales of all kinds of cotton exclusive of linters. To be sure, the spinners used 6,789,000 in the war season of 1916-1917 but that was partly because they were then engaged on heavy military fabrics. In the 1922-1923 season manufacturers ran at only 82 per cent of regular full time at the beginning of the period, they later increased operations to 103 per cent, but still later they reduced them to 79 per cent, their average running during the season being about 93 per cent. Since that time there has been a slight increase in spindles, and if allowance be made for that, as well as the 7 per cent average curtailment during the season, it becomes evident that if the mills should run full with their present spindles they would consume fully 7,250,000 bales. In England, spinners rolled up their largest consumption in either peace or war time in 1912-1913 when they spun 4,468,000 equivalent 478-pound bales of all cottons. They have never even approached that total since the war. That probably represented practically full running. Since 1912-1913 the number of spindles in English mills has increased about 2 per cent but working hours have been reduced about 12 per cent. Allowing for those chances it would appear that English mills would consume about 4,000,000 bales of all cottons if they ran their present spindleage full time--except as their consumption may be affected by a change in the character of goods produced. The Continent made its high record in cotton consumption in 1913-1914 when it spun 8,108,000 equivalent 478-pound bales of all cottons. Since then its reported spindles have not changed materially, but nearly 4,000,000 spindles in Russia are idle. Furthermore, working hours on the Continent have been reduced by perhaps 10 per cent on an average. Making allowance for these facts, it would seem that Continental mills would use about 6,650,000 bales if they ran all their spindles, except the 4,000,000 idle in Russia, full time. As to Japan, China, India and Brazil, it is not necessary to go back any length of time to determine their maximum capacity, for they have established their record totals during the past season or the season previous. Japan has shown a capacity to use 2,325,000 equivalent 478-pound bales, China 1,450,000 bales, India 1,900,000 bales and Brazil 350,000. Canada, Mexico and sundry smaller countries have readily used a total of 700,000 bales in a single season. If the foregoing figures be added it will be found that they aggregate about 24,600,000. At the present time, this is somewhat of a hypothetical figure--it indicates the amount of cotton which the mills of the world would consume if they all were prosperous at once, but the fact is that there does not seem to be enough business in some parts of the world to keep all the mills well employed and so those with higher costs are unable to get their share and have to run short-time while those with lower costs get all the business they need and make money. Even though the capacity figure as here computed must be regarded with this limitation it is of importance as showing the amount of cotton which spinners are constantly striving to consume. Idle spindles cost money, and so mill managers do their utmost to put them to work even though there may be little or no profit in the business handled. It is impossible to say how soon world economic conditions will permit of the full operation of all the mills of the world, but it is

clear that the trend is toward this objective and, as stated, this would involve a consumption of about 24,600,000 equivalent 478-pound bales. This past season the world produced about 23,500,000 bales and actually consumed about 22,800,000."

Section 3
MARKET QUOTATIONS

Farm Products

Sept. 24: Chicago hog prices closed at $13.95 for the top; bulk of sales $12.75 to $13.70; beef steers, choice $14.50 to $16.50; good $10.65 to $14.75; medium $8.25 to $11; heifers, good and choice $7.75 to $12.75; common and choice $5.25 to $8.25; cows, good and choice $5.85 to $9.50; canners and cutters $3 to $3.90; vealers, medium to choice $10.25 to $14; heavy calves, medium to choice $5.25 to $7.75; fat lambs (light and handyweight) medium to choice $13 to $14.75; yearling wethers, medium to choice $9 to $12; fat ewes common to choice $4.50 to $8; feeding lambs, medium to choice $13.75 to $15.75.

Prices of Virginia yellow sweet potatoes remained unchaged in the Middle West but advanced $1 to $2 per barrel in eastern consuming centers, closing at a general range of $4.50 to $5 per barrel and $3.75 to $4 f.o.b. Eastern Shore points. Maine sacked Irish Cobbler potatoes sold at $2 to $2.35 per 100 pounds in eastern markets; bulk stock $1.30 to $1.35 f.o.b. Presque Isle. New York cabbage steady to stronger. Domestic type ranged $15 to $35 bulk per ton in eastern cities; $9 to $12 f.o.b. Rochester. Onions firm to stronger. New York yellows selling at $2 to $3 sacked per 100 pounds in leading city markets; $2 to $2.25 f.o.b. Rochester. Michigan and Illinois Wealthy apples brought $4 to $4.25 per barrel in Chicago with Illinois Jonathans at $6 to $6.50.

Grain prices quoted September 24: No.1 dark northern Minneapolis $1.41 to $1.62. No.2 red winter Chicago $1.66 1/2 to $1.68; St. Louis $1.64 to $1.69; Kansas City $1.66. No.2 hard winter Chicago $1.49 1/4; St. Louis $1.55 to $1.60; Kansas City $1.54. No.2 mixed corn Chicago 83 3/4¢; Kansas City 81¢. No.3 mixed corn Minneapolis 73 3/4¢. No.2 yellow corn Chicago 84¢; St. Louis 83¢; Kansas City 83 1/2¢. No.3 yellow corn Chicago 83¢; Minneapolis 77 1/4¢. No.2 white corn Chicago 84¢; St. Louis 84 1/2¢; Kansas City 82¢. No.3 white oats Chicago 38 1/2¢; Minneapolis 33 1/2¢; St. Louis 39 1/2¢; No.2 white oats Kansas City 39¢.

Closing prices on 92 score butter: New York 49 1/2¢; Chicago 47¢ to 47 1/2¢; Philadelphia 50 1/2¢; Boston 49 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 4 points, closing at 23.22¢ per lb. New York October future contracts advanced 3 points, closing at 23.37¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 24,	Sept. 23,	Sept.24,1924
20 Industrials	143.98	146.02	104.68
20 R. R. stocks	103.56	103.78	90.71

(Wall St. Jour., Sept. 25.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol.XVIII, No. 74 Section 1 September 26, 1925

NEW CHICAGO GRAIN RULES

A Chicago dispatch to the press to-day states that two rules revolutionary in character affecting the grain trade--one providing for a limitation of 5 per cent or more in the price of grains when two-thirds of the Board of Trade directors declare an emergency exists and the other the creation of a business conduct committee--will be posted for ballot on the Board of Trade to-day. The rule to prevent violent price changes in connection with the business conduct rule will, it is agreed, go a long way toward preventing or meeting critical situations. The price limitation rule goes into effect only after a ten-hour notice to the trade and would be enforced only as long as the directors declare an emergency exists. The business conduct rule is drawn up along similar lines as that now effective on the New York Stock Exchange.

FRUIT SHIPMENTS EXPEDITED

A New York dispatch to the press to-day states that the plan of the fresh fruit and vegetable committee of the Atlantic States Shippers' Advisory Board for handling perishable shipments has resulted, up to date, in 84 per cent of all refrigerator cars in the New York district being released "in free time," that is, within forty-eight hours. Demurrage is charged beyond this period. The district includes New York, Pennsylvania, New Jersey, Delaware, Maryland and part of Virginia. This speedy distribution of perishables in the East will mean a saving of more than $5,000,000 to fruit and vegetable shippers throughout the country, it is estimated by F. W. Heggeblade, general chairman of the fresh fruit and vegetable committee of the board, who issued his report yesterday.

CANADA-AUSTRALIA TREATY

A Melbourne dispatch to the press to-day states that the Commonwealth Gazette yesterday announced that the reciprocal commercial treaty between Canada and Australia will come into operation October 1. The treaty, under which Australia is to give to Canada British preferential customs rates, provides for reduced rates on Canadian fish, textiles, typesetting machinery, typewriters, adding machines, iron and steel tubs and vehicle parts. Canada, in return, gives special rates on Australian fresh and canned meats, lard, tallow, beeswax, eggs, cheese, butter, canned vegetables, dried fruits, pears, quinces, apricots and nectarines, canned fruits, honey, sugar, glue, essential oils, fruit pulp and eucalyptus oil.

SUGAR PRICE

A New York dispatch to the press to-day states that raw sugar prices touched further low levels yesterday on continued liberal offerings from Cuba, sales being made at 4.08 cents a pound. This is the lowest quotation since May, 1922.

Section 2

Filipinos to Grow Rubber

A Manila dispatch to the press of September 25 says: "The question of rubber growing in the Philippines is occupying much space in the public prints and a number of measures have been proposed to encourage that industry. In addition to recommending amendment of the land laws to allow leasing of larger tracts of land to corporations and individuals, Governor General Wood has expressed approval of a bill providing free distribution of rubber seed to small farmers. The Governor General is of the opinion that rubber can be produced profitably on small plantations, and has asserted that the rubber possibilities of the islands are so great that they hold out a hope of helping in building up the economic structure of the Philippines."

Ice Cream Business

An article in The Magazine of Wall Street for September 26, on ice cream as a new field of investment, opens as follows: "The ice cream business, in many respects, is unique. It is only within the span of the past year or so that the public has had an opportunity to purchase ice cream securities even in a small way. Though these issues are consequently unseasoned, the industry has many characteristics which redeem representative stocks from the out-and-out speculative class despite their shining newness. The American proclivity for confections is forcibly demonstrated by our per capita consumption of sugar which runs around 100 pounds per annum. Ice cream shares this popular demand but possesses a definite advantage over less substantial sweets. The product is recognized as a tissue-building substance having sound food value."

Immigration

An editorial in The Rural New-Yorker for September 19 says: "As one result of the present immigration law 16 foreign nations have withdrawn more aliens from this country than they have sent as immigrants. Italy during the past year sent us 6,203 immigrants, while 27,151 Italians returned to their native country. Much the same was true of Greece, Spain, Portugal and Yugoslavia. Most of these returning aliens had made money in this country, and now go back to Europe to invest this capital in land or business. The situation as regards Italy is something of a puzzle. Most of the economists are picturing Italy as an over-populated country with few if any colonies to absorb her surplus people, yet as we see, many of the Italians in this country are going back to their crowded homes. One thing about this restricted immigration must be considered, and that is its effect upon negro labor and its changes. Negroes from the South are now securing something of a monopoly of the labor formerly given to immigrants. This has resulted in the transfer of thousands of colored workers from the southern plantations to the industrial centers in the North, and if this keeps on it will have a great effect upon the political and social life of the Nation."

Population Movement

An editorial in The Rural New-Yorker for September 19 says: "The new census of New York seems to be demonstrating one of the things which The R. N.-Y. almost alone among papers has been stating. The large cities and towns are not gaining in population as was expected. Cities like Albany, Syracuse, Rochester, Binghamton, etc., have made a moderate showing, but nothing like the gain of previous decades. Some of the people in these cities are rushing to claim that errors have been committed. They should get over that. The truth is that during the past five years there has been a decided movement away from the city. This does not mean that people have gone back to the farm. They have gone back to the suburbs.

The improved roads and the cars have made it possible for the worker to hold his job in the city and yet live five or ten miles out in the country. There he may have an acre or more of land and keep chickens, perhaps a cow, and have a good garden. It is a good change for the man and his family, but of course it means a loss in city population from the census enumerator's point of view. The population has simply been transferred to the outlying townships. We have seen this change coming for some years and it will continue. When the full figures for New York City are given there will be many surprises, for thousands of former residents have located in the New York suburbs or in New Jersey. This is, on the whole, a good change, and it is quite sure to continue. The great cities will continue to grow, but they will lose their character somewhat. They will be more in the way of manufacturing centers and homes for the rich. More and more of the working people will move to the country."

Radio on the Farm

An editorial in The Rural New Yorker for September 19 says: "It is true that in a way the radio is acting as a sort of antidote to the roving habit inspired by the auto. Many farm families are going on camping trips, but they are not so likely to be gone every night, for the radio entertainment is holding them at home. It is remarkable that one great invention should in this way serve to harmonize the social effect of another. And then here is this wise remark from an Oklahoma reader: 'To a certain extent our prosperity depends on our desires. If we want anything badly enough we will very likely arrange our living so that we can secure it. The yearning of a Kickapoo Indian for a Ford car may result in a new farmer in the world; the first in all of the line up to date, and it will likely result in a new Ford driver.' Say what you will there is much truth in that. We are driven to the accomplishment of things by our ambitions and our desires. If the will is only strong enough a way will be found, and the body will force itself to carry out the task. To start with it may be the desire for a home which spurs the man and woman on to conquer the forces of nature. Then it may be the ambition to educate the children and fit them for the highest work in life. Or it may be some selfish desire to gain power and enjoyment. At any event there must be this mental incentive and spirit of courage back of the man and woman if they are to succeed on the farm. That counts for more than the actual physical labor. For as 'love will find a way' so ambition and honest desire will usually fight down every obstacle and win."

Redwood Conservation

An editorial in The New York Times for September 21 says: "In spending much time and money planting seedlings of the giant redwood trees in California the lumbermen of to-day are putting into practice the theory that the best conservation policy provides for the future. Despite the terribly destructive inroads on the redwood forests made during the last half century by their predecessors, the campaign to save the remaining areas from destruction has met with a good measure of success, and experience has shown that reforestation is practicable. The redwood is one of the fastest growing conifers, and once the seedling is firmly rooted it appears to withstand all enemies but man. To be sure, it requires from four hundred to a thousand years for it to reach full maturity. But even at the age of thirty or forty years it is a large tree, sometimes reaching a height of 100 feet....It is interesting to note that the lumber companies, so long the most ruthless destroyers of our natural resources, appear to be realizing the importance of conservation. They have been slow about it. The temptation to make large immediate profits at the expense

of a steadier income over a long period is nearly always too great for the average man to resist. It has taken the lumber company directors a long time to see that timber is a crop, and that by judicious cutting and conserving large yearly yields can be maintained without wholesale destruction and waste. The practice of reforestation on a large scale is the best compensation for past orgies of cutting."

Rubber Exchange Planned

The press of September 24 states that F. R. Henderson, head of the crude rubber brokerage firm which bears his name, and who has sponsored the establishment of a rubber exchange in New York, has invited rubber brokers to attend a meeting to-day, to discuss plans for the establishment of such an exchange. The purpose of the exchange is to stabilize prices and to establish a fixed basis under which contracts can be cleared.

Section 3

Department of Agriculture

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An editorial in The Journal of Commerce for September 25 says: "An unexpectedly high Government cotton report, indicating an unaccountable advance of about 200,000 bales above the most optimistic private estimates and about 500,000 bales above the average of general opinion of the trade, has again concentrated attention upon the work of the Department of Agriculture in this regard. It is regrettable that so shortly before the issuance of this report the department had been called to account by those who were inclined to complain of its returns, as there is always the fear that any human organization may be influenced by the desire to forestall or check criticism. In this case, however, it is to be noted that the unaccountable changes already referred to are on the side of a larger crop and have tended to depress prices. Thus in the ordinary sense of the term they are 'against the farmer,' it being supposed that he is always a holder of the staple. As a matter of fact, the farmer is not always a heavy holder, and it needs to be borne in mind that he is in many cases a speculator, and frequently a speculator on the short side, as are other citizens. There is no reason why the department, so far as now appears, should be charged on the basis of this report with attempting to favor the farmer, as it so often has been in the past. There is, in fact, little or none of that type of criticism. The complaint of the trade is based on two factors. (1) the apparent indisposition of the Government reporters to be guided by the known facts which grow out of actual conditions, widely recognized and admitted by all, and (2) the continued determination to go on with semi-monthly reports, which produce a too frequent disturbance of the normal course of quotations. Both bases of complaint are sound and both ought to be taken into careful consideration. It is, of course, true, as has been noted by the Department of Agriculture, that the bureau of estimates must carry out the orders of Congress and that when Congress provides for a semi-monthly report it has no choice. This, however, is a formal rather than an actual defense. The truth of the matter is that Congress is largely guided by the bureau's own recommendations.....It will not be long now before the advance of the ginning season will furnish a fairly accurate corrective of these crop reports, and from the statistical standpoint this correction may be awaited with confidence. Traders who had committed themselves one way or the other and who find themselves badly damaged speculatively by faulty Government statistics or what they deem such are not likely to be much comforted by the knowledge that two or three months from now the whole truth will be known. What is called for, both in their behalf and in behalf of the cotton manufacturers, is the introduction of a very much more stable and satisfactory method of reporting."

Department of Agriculture

2 An editorial in The Wall Street Journal for September 25 says: "Can the Department of Agriculture's estimate of the cotton crop for October make a better showing than something less than 13,500,000 bales? The official crop report issued on Wednesday took the cotton market by surprise and fairly swept it off its feet. The average expectation had been for about 13,500,000 bales, but this forecast was 13,931,000 bales. The market response was a drop of $7.50 a bale. Even further time for reflection leaves the market in greater confusion than at any time since the crop was planted. As of September 1 the forecast was 13,740,000 bales, and the opinion is freely expressed by cotton men that these two reports can not be reconciled. If one is correct the other, they say, is wrong. The market confusion is a result of not knowing which of the two to believe. It is to be conceded that the department has far better facilities for gathering crop information than are possessed by individuals. It is well to be temperate in criticism until the actual facts are ascertained from the ginning figures, which represent counted bales. But the market should not overlook the vital point of abandoned acreage. Over a course of years the acreage planted but not picked averages 1 per cent of the total crop. The board always takes notice of this in making its estimates. This year it has made the same allowance, so that the estimate is based on 46,448,000 planted acres, less 1 per cent, or 464,448 acres reckoned abandoned....It is to be expected that the October report will carry information of the acreage that will probably be abandoned. It can not but be far greater than the average which now figures in the official crop report. Even granting that the last report of condition and average yield per acre is correct, the abandonment itself should pull the crop estimate down to something like the conservative estimates made before Wednesday's report was made public, or to something less than 13,500,000 bales."

3 A Lafayette, Ala., dispatch to the press of September 25 says: "United States Senator J. Thomas Heflin, Democrat, of Alabama, a member of the Senate agricultural committee, vigorously attacked the cotton report of the crop estimating board at Washington in a statement issued at his home here to-day. The statement said in part: 'The crop estimating board stands discredited. The adding of 200,000 bales, when rapid and widespread deterioration of cotton in two-thirds of the cotton belt justified the deduction of more than 500,000 bales from the estimate of two weeks ago, and recalls the Holmes and Hyde scandal of twenty years ago, when they, as members of the crop estimating board at Washington, added 200,000 bales at the instance of bear speculators in New York for which they were paid $40,000.'"

4 An editorial in The New York Times for September 23 says: "No small part of our privileged and prohibition-proof rural population must be waiting, with chuckles and baited breath, the discovery which the Office of Horticultural Investigation at Washington is shortly to make public. At last cider is to be effectually pasteurized. Subjected to the new process, it is to have all the virtues and no vices of the old, familiar juice. It is to be palatable. It is to be 'delicious.' Of alcoholic content it is to be stripped utterly. Benzoate of soda has hitherto been prescribed by the Government to the farmer's joy. We don't know that he has ever used it. The last thing the Prohibition Unit would think of doing would be to invade the farmhouse cellar to see if the liquid in the kegs and barrels is chemically correct. The farmer is immune from prohibition. Nobody is going to interfere with the child of his orchard.

Benzoate of soda could interest only makers for sale. Some friends of pure food view with alarm that reformer of the inherited deviltry of the apple, beginner of all our woes.....Now the bright nose of hope sticks out of the darkness. 'We are on the verge' of an incomparable and a miraculous dealcoholized cider, 'near'--and yet so far! .....'

Section 4

MARKET QUOTATIONS

Farm Products

Sept. 25: Potatoes, Maine sacked Irish Cobblers $2.15 to $2.50 per 100 pounds in the East with bulk stock $1.30 to $1.40 f.o.b. Presque Isle, Me. Eastern Shore Virginia yellow varieties of sweet potatoes advanced 75¢ to $2 in leading eastern markets, selling at $4.50 to $5.25 per barrel; $4 to $4.25 f.o.b. Prices on New York Elberta peaches in bushel baskets dropped 50¢ to $1.25 in eastern consuming centers, but sold 25¢ higher in Chicago. Cabbage irregular. New York domestic type ranged $15 to $30 bulk per ton in city wholesale markets; $10 to $12 f.o.b. Rochester. New York Wealthy apples held firm in most eastern consuming centers closing at $1 to $1.50 per bushel basket; $1 to $1.10 f.o.b. Rochester.

Closing prices on 92 score butter: New York 50¢; Chicago 48 1/4¢; Philadelphia 51¢; Boston 50¢.

Chicago hog prices closed at $14.25 for the top, bulk of sales $13 to $14.10; Beef steers choice, $14.75 to $16.50; good $10.75 to $15.80; heifers, good and choice $8 to $12.75; common and medium $5.25 to $8.25; cows, good and choice $6 to $9.50; canners and cutters $3 to $3.90 vealers medium to choice $10 to $13.75; heavy calves, medium to choice $5.25 to $7.75; stocker and feeder steers, common to choice $5.25 to $9; fat lambs, light and handyweight, medium to choice $13.25 to $15; yearling wethers, medium to choice $9 to $12; fat ewes, common to choice, $4.50 to $8.

Grain prices quoted September 25, 1925: No.1 dark northern Minneapolis $1.41 to $1.62. No.2 red winter St. Louis $1.60 to $1.65; Kansas City $1.65. No.2 hard winter St. Louis $1.54 3/4¢ Kansas City $1.53 to $1.56. No.2 mixed corn Chicago 81 1/2¢; Kansas City 80¢. No.3 mixed corn Minneapolis 72¢. No.2 yellow corn Chicago 81 1/4 to 83 1/2¢; St. Louis 81 1/2¢; Kansas City 82 1/4¢. No.3 yellow corn Chicago 80 1/4 to 82 1/2¢; Minneapolis 75 1/2¢. No.2 white corn Chicago 82¢; Kansas City 80 1/2¢; St. Louis 83¢. No.2 white oats Kansas City 39¢. No.3 white oats St.Louis 39 1/2¢; Minneapolis 33 1/2¢.

Middling spot cotton in 10 designated spot markets declined 67 points during the week, closing at 23.33¢ per lb. New York October future contracts declined 60 points, closing at 23.60¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 25,	Sept. 24,	Sept.25,1924
20 Industrials	145.56	143.98	104.13
20 R.R. stocks	103.65	103.56	90.51

(Wall St. Jour., Sept. 26.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

ol.XVIII, No. 75 Section 1 September 28, 1925

OTTON REPORTS A New Orleans dispatch to the press to-day says: "The Census Bureau's report on Wednesday of the ginnings of 4,275,976 bales of cotton up to September 16, as against 2,665,793 for the same period ast year, gave a larger figure than had been generally expected, even in this market. t is regarded by the market as justifying the figures named on the same day by the gricultural Department in its crop forecast. The heavy movement of the crop to arket at this early date of the season is considered to have added further evidence, f such evidence were needed, that the crop is likely to turn out substantially larg- r than the ideas prevailing a week or ten days ago....."

A second New Orleans dispatch to-day says: "There has been the usual amount f criticism of the bureau's crop forecast. But private advices received from many arts of the belt during the past few days of yields turning out larger than expect- d have convinced the majority of traders that a forecast approximating 14,000,000 s not unreasonable. That Louisiana and Mississippi have produced large crops by omparison with recent years is self-evident, and it now looks very much as if labama, Georgia and the Carolinas will produce larger crops than seemed at all prob- ble a week or two back. The drop in prices soon proved attractive to trade inter- sts, however, and buying by spinners and others brought prices back above the 23- ent level."

EORGIA COTTON CROP An Atlanta dispatch to the press to-day states that another million-bale cotton crop for Georgia is forecast by the State Co-Operative Crop Reporting Service. This estimate is based upon a condition for the State of 61 per cent and an indicated yield of 134 ounds of lint cotton to the acre, and means that the crop this year showed equal hat of 1924 in yield and probably in value. A million-bale cotton crop, coming on op of record-breaking crops of melons, tobacco, peaches, apples and other diversi- ied crops means that business in all lines will be good this fall and that the farm- rs of the State will be firmly on their feet next year.

UROPEAN CROPS An Amsterdam dispatch to the press to-day says: "It is now certain that Europe's crops will be very large. Even Russia is now believed to have harvested 6,000,000 tons of barley as against 3,250,000 n 1924, which has resulted in a pressure of Russian barley on the market at declin- ng prices. The Russian wheat crop is figured at 18,000,000 tons as against ,000,000 last year, and shipments are already large, though with prices declining ess rapidly than those for barley and rye. Italy will also raise a bumper grain rop. The French harvest is believed to be 10 per cent above 1924, while Germany nd Poland are showing distinctly better results. The estimate of the International nstitute at Rome that the grain crop of twenty-one European countries will be 6,000,000 tons, against 20,000,000 tons last year, is generally accepted in business ircles here. These results will unquestionably improve the European economic situa- ion, and serve to stabilize European exchange."

Section 2

Agriculture and Business

The Magazine of Wall Street for September 26 presents an extensive review of the agricultural situation and its relation to business. It says in part: "For the second straight year the farmer is enjoying prosperity. His buying power stimulated the flagging business of the country in 1924, and it is distinctly buttressing business in 1925. The money value of the crops this year is equal to that of last year, and the crop values last year were the greatest since 1919. One year of farming prosperity revived business; the second year is assuring to the business man prosperity for a considerable period. 'Agriculture is the foundation of commerce and industry.' So runs the proud boast of the Department of Agriculture. Every business man is aware of its truth. Forty per cent of all the production in this country is that on farms. This comprises the three great branches--crops, animals, animal products. When agriculture, or in other words, when 40% of our domestic market is sound, business can not be unsound.....Turning from particular markets to the country in general, it can be stated that any period of prosperity will be short-lived in which the farmer does not thrive....Business men have been warned, especially by persons interested in international finance, that the prosperity of our farming population was due to the particular European situation in 1924. We had several abundant crops when the rest of the world was short. However, these prophets are completely refuted by the events of 1925. The crops throughout the world are relatively abundant, and our own crops, as physical volume, not at all remarkable. These experts are now falling back upon the statement that our foreign dollar loans stimulate export demand considerably and that without this the farming element would not be prosperous. In 1925, however, the domestic market has been king, and exports played a minor role. Hence it is clear that American farming can depend for continued prosperity upon American demand. There need be no fear as to the immediate future."

An editorial in the same issue says: "This year, special significance is accorded the value of our crops. On the amount of cash received by the farmers largely will depend the business and financial outlook. The article which we present here is of unusual value because it suggests which parts of the country are likely to offer the best field from the viewpoint of business exploitation. For that reason, it ought to be found especially helpful by business men. For the investor, it has equal value. Naturally those industries directly dependent on the state of the crops will be influenced to a large degree by their value. Among such industries may be cited: farm implements, fertilizer, mail-order concerns, and the railroads."

Business Conditions

Business is good at present and is going to be better in the future, is the consensus of banking opinion, William E. Knox, president of the American Bankers Association, said at Atlantic City September 27 in summing up views on the outlook expressed by bankers gathering from all parts of the country to attend the annual convention of the organization. He warned lest the favorable outlook tempt the Nation to overconfidence. "From all over the country come reports that indicate a high level of prosperity and at the same time voice a hopeful attitude as we face the future," Mr. Knox said. "A good to-day is to be followed by a better tomorrow - such seems to be the consensus of opinion....."

County Agent Work

An editorial in The Country Gentleman for October says: "Agricultural-extension workers in North Dakota are jubilant over the success they have had in introducing sweet clover throughout the State. Five years ago it was practically unknown. Last year it was grown on 233,186 acres and this year the acreage was still further increased. The county agents are entitled to most of the credit. And they have achieved equal results in other States. Ten years ago few farmers knew anything about soy beans. Now soys are grown all over the Corn Belt. In Minnesota alfalfa is forging ahead under the drive of the extension forces, and bids fair to exert a marked influence upon the agriculture of the entire State. Up to about eight years ago almost nobody ever thought about culling hens. Then Hogan published his directions for determining the layers and the boarders and in less than five years, thanks to the extension folks, farm poultry raising had been completely revolutionized. Had this not been done the United States would have had almost a famine in eggs and poultry products during the past few years. The county-agent system has brought flexibility to the agriculture of the Nation. From a slow-moving industry, unresponsive to new methods and new ideas, it has become alive, alert and quick moving, ready to shift to new conditions and new needs. The agricultural-extension workers have done their work speedily and well."

Eastern Farming

An editorial in The American Review of Reviews for October says: "Western farmers who are trying to vary their crops would be surprised to see how modern-looking are the dairy farms of the better valley lands of Vermont as well as of Massachusetts and Connecticut. Grasses grow exceedingly well, and alfalfa is now thriving on thousands of New England farms. There are hundreds of brand-new silos in upper New England; and in favorable localities the eastern corn crop this year is satisfactory. Agriculture in the State of New York, also, has had a favorable season. With a great variety of products, fruit takes a preeminent place in New York. Alfalfa, clover hay, and good pasturage support thousands of herds of dairy cattle; and under the energetic management of the dairymen's association, the farmers are better off than a few years ago, while the consumers in cities are receiving milk of satisfactory quality as distributed by the companies through which the dairymen's cooperative societies market their supply. Our friends in the great farming States of the West sometimes forget that there is also an eastern agriculture, and that it is to the permanent interest of the whole country that the farmers of New England, New York, New Jersey, Pennsylvania, Maryland and Virginia--practicing crop-rotation and permanent agriculture--should not be driven to poverty and desperation through ruthless competition of new lands speculatively employed."

Freight Rates

"Whatever may be the merits of the western railroads' application for a five per cent increase in freight rates, the action was ill-timed. It has revived the old animosity against the railroads when this was dying down. It has given new life to the political railroad baiters and probably will afford them ammunition for a new drive against the railroads during the coming session of Congress. To farmers in the western district it looks as if the railroads are bent on taking a cut out of the first satisfactory returns agriculture has yielded in five years. The effect will be to undo much of the better feeling the railroads had won through increased efficiency." (Country Gentleman, October.)

Lowden on the Farm Situation

Frank O. Lowden is the author of a 10-page article entitled "What We Can Do for the Farmer" in The World's Work for October. In this he says: "The farm problem is not solved. It will be well for us if we recognize this fact. In the monthly supplement, Crops and Markets, for July, published by the Department of Agriculture, appears the statement that the farmer's net income for the year 1924-1925 had increased somewhat over the preceding few years. This has been heralded as proof that the situation upon the farm was righting itself. Nothing could be farther from the truth. As the department points out, this increased income nets the farmer but 3.6 per cent upon his capital investment, after a wage allowance for the farmer's labor which is less than common labor receives in industry. And this does not allow for depreciation and depletion. If depreciation and depletion had been deducted, as they well might, the farmer's returns upon his investment must almost have disappeared....I am not advocating either the valorization plan of Brazil or the Stevenson plan of Great Britain. I do think, however, that just as Brazil has found a way by which her coffee surplus is no longer a menace and England a method by which her rubber surplus no longer paralyzes the rubber-growing industry, so we in America may, if we will, find a means of taking from the back of the American farmer the burden of his surplus. The world has long been used to the advantages of mass production. It now appears that mass selling is to be given a trial. One of the chief reasons for the formation of the Federal Reserve banking system was to mobilize the credits of the country, so that they could be used at any time at the point needed. Isn't there some way by which the surpluses of farm products can be mobilized and thus be made to serve the future? If we could accomplish in point of time for the farm surpluses what we have accomplished in point of place for the credit resources of the country, we would have largely overcome our troubles. Suppose we had a Federal farm board. Suppose that board found that the producers of any farm commodity were sufficiently organized so as to be really representative of all the producers of that commodity. Suppose that when it ascertained this fact it should authorize such producers to form a corporation for taking care of the surplus, either storing it to meet a possible future domestic need or exporting it upon the best terms available, the expenses and losses incurred for storage or in export to be borne proportionately by all the producers of that particular commodity....."

An editorial in the same issue says: ".....Ex-Governor Lowden suggests that the Federal Reserve banking idea might be applied to the industry, with a Federal Farm Board created to cooperate with the various marketing associations in the handling of farm products. If some measure of this kind is to be considered, it is better to discuss it deliberately when the industry is enjoying a period of health instead of postponing the debate to a troublous period when politics and hysteria would play a stronger part than normally....."

Russian Conditions

An editorial in The New York Times for September 22 says: "As the result of an abundant harvest Moscow foresees for the business year beginning on the first of next month an increase of more than 100 per cent in exports. Grain alone is expected to account for $250,000,000, against $35,000,000 in the year just drawing to a close. With credits thus established abroad some approach may be made to realizing the ambitious import programs for textile machinery and other plants so pressingly needed if Russian industry is to be lifted from its present semi-comatose condition. Soviet purchases hitherto have been predominantly of raw materials,

as with cotton during the last two years in our own market. For England The London Times reports the outcome of the efforts of a Soviet commission which professed to be ready to spend 5,000,000 pounds on textile machinery and which placed just one order for 60,000 pounds. Official figures at Moscow foresee the possibility of raising 'national production' during next year to 90 per cent of the pre-war level, but on condition that nearly a billion dollars be spent in industrial re-equipment and expansion. Toward that sum the budget contributes only $60,000,000. In view of the breakdown of the debt settlement negotiations with Paris and the reluctance of British manufacturers to grant the two-year credits on which the Moscow Government insists, it is difficult to see where the billion dollars of restoration material is to come from....The rise in national production is chiefly an increase in the yield of agriculture. Whereas farm and forest, as indicated above, are expected to double the available export reserve next year, oil and coal show only moderate increases, and when we pass from 'heavy industry' to manufactures the increase is not impressive. In other words, the peasant can correctly assert that he almost alone is the agent of such economic revival as Russia enjoys...."

Section 3

Department of Agriculture

J. Horace McFarland is the author of an extensive article entitled "Quarantine Thirty-Seven; It Looks Like a Check to Our Agricultural Progress" in The Country Gentleman for October. He says in part: "The Missouri Botanical Gardens, the Arnold Arboretum of Harvard University, the New York Botanical Garden in Bronx Park and the great Brooklyn Botanic Garden have been sadly embarrassed by this quarantine. No new plant pest has ever been authoritatively traced to introductions by these great gardens; yet recently an application by the director of the Arnold Arboretum for permission to have the results of a notable expedition now in the far reaches of Tibet, in territory never before horticulturally explored, shipped directly to Boston, there to be examined by Government officials or by scientists as capable as those in the Government's service, was refused. It is the belief of the eminent men who have at heart the horticultural progress of the United States that a program of careful inspection and certification abroad, possibly participated in by agents of the F. H. B., with reasonable vigilance at the points of entry, would provide proper safeguards, without the arbitrary exclusions now maintained. We have now an able Secretary of Agriculture in Dr. W. M. Jardine, a man known to be in sympathy with scientific education and real horticultural advance. He is the hope of the horticulturists of the country, who realize the danger of the quarantine autocracy that has been built up under a strained conception of a wise law and under questionable ideals as to adequate pest protection....In this emergency, having to do with broad horticultural advance, it is hoped that he will at least institute thorough investigation of the operations and the ideals of the Federal Horticultural Board, particularly as they apply to Quarantine 37, such investigation to be made not by those accused or their departmental associates, but by impartial and able men outside the Department of Agriculture who may be depended upon to give him the facts of the situation."

Section 4
MARKET QUOTATIONS

Farm Products For the week ended September 26: Chicago hog prices closed at $14.20 for the top, bulk of sales $12.75 to $13.90. Beef steers 1,100 to 1,500 lbs. choice $14.75 to $16.50, good $10.75 to $15; medium, $8.35 to $11.25; common $6.25 to $8.35; heifers, good and choice 850 lbs. up $8 to $12.75; common and medium $5.25 to $8.25; cows, good and choice $6 to $9.50; canner and cutter $3 to $3.90; vealers medium to choice, $10 to $13.75; calves, milk fed excluded, medium to choice, $5.25 to $7.75; stocker and feeder steers, common to choice, $5.25 to $9; fat lambs, light and handyweight, $13.25 to $15; yearling wethers medium to choice $9 to $12; ewes, common to choice $4.50 to $8. Fresh meats - western dressed - New York wholesale quotations as of September 25, good grade follow: Steer beef $18 to $21; veal $20 to $22; lamb $25 to $27; mutton $14 to $16; light pork loins $33 to $35; heavy pork loins $22 to $24.

Potatoes have held close to the prices of a week ago, but the general undertone of the market seemed slightly weaker. Maine sacked Irish Cobblers $2.15 to $2.35 per 100 pounds in eastern cities; bulk stock $1.45 f.o.b. Presque Isle. Virginia sweet potatoes made irregular advances of from 75¢ to $2.00 per barrel in eastern markets, general jobbing range being $4.50 to $5.00, with top of $5.25 in New York. New York Wealthy apples firm at $1.00 to $1.25 per bushel basket in eastern markets. Cabbage recovered from the recent slump in prices. New York Domestic type closing at $20 to $25 bulk per ton in eastern markets; $8 to $12 f.o.b. Rochester. Peach markets dull. New York Elbertas 25¢ to $1.00 lower at $1.75 to $2.25 per bushel basket in consuming centers, Chicago quoting top of $2.50 to $2.75.

Butter markets very firm during the week, under the influence of short supplies. Hot weather defects continued to be prominent in current arrivals, making for a shortage of fancy grades. Closing prices on 92 score: New York 50 1/2¢; Chicago 50¢; Philadelphia 51 1/2¢; Boston 50 1/2¢.

Cheese markets firm and higher, Wisconsin prices advancing generally 1/2¢ at the close of the week. Further improvement expected with the arrival of cooler weather. Prices at Wisconsin primary markets September 25, 1925: Single Daisies 23 1/4¢; Young Americas 23 1/2¢; Longhorns 23 1/2¢; Square Prints 24¢.

Grain market sharply lower. Wheat futures 9 to 11 cents lower than week ago on weak foreign markets and slackened domestic buying. December corn futures down 3 cents with decline in wheat and cash corn. Corn offerings about 10 cents lower, shifting to new crop basis with liberal country offerings and impending early movement of new crop. Oats easier with wheat and corn.

Hay market firm. Receipts of good hay hardly adequate for buyers' needs. Quoted September 26: No.1 timothy-Boston $26.50; New York $29.50; Pittsburgh $26; Chicago $27; Cincinnati $26.50; St. Louis $27.50; Kansas City $17.50; Atlanta $30. No.1 alfalfa - Kansas City $21; Omaha $14.25; Memphis $28; Atlanta $35. No.1 prairie - Kansas City $14.75; Omaha $17.50; Chicago $18; St. Louis $16.50; Minneapolis $16.

Average price of Middling spot cotton in 10 designated spot markets declined 54 points during the week, closing at 23.46¢ per lb. New York October future contracts declined 57 points, closing at 23.61¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XVIII, No. 76 Section 1 September 29, 1925

FOREST FIRE PREVENTION

Charging that the $660,000 appropriated by Congress last year failed to match the expenditures of cooperaters under the terms of the Clarke-McNary act, officials of the American Forestry Association yesterday urged Gen. Herbert N. Lord, Director of the Budget, to give his approval to generous estimates for forest fire prevention. Under the terms of the Clarke-McNary law, the Government stands one-half the expense of fire protection while private owners stand the other half. However, officials of the association claim private interests put up more than $2,000,000, with States contributing nearly an equal amount, while the Federal Government's expenditure was less than one-eighth of this amount. There were 92,000 forest fires last year involving a total loss of $38,000,000. (Press, Sept. 29.)

FEDERAL RESERVE SYSTEM

Perpetuation of the Federal Reserve System is made imperative because of its paramount services, not only to the United States, but to the whole world, William E. Knox, of New York, president of the American Bankers Association, declared this morning in his address opening the first general session of the convention at Atlantic City. "There has been no sound criticism of the foundation and structure of the system, which has stood the test of time", Mr. Knox continued. "The period for which the Federal Reserve Bank was chartered is half gone and we must look forward to the renewal of the charter. The extension of the charter is essential not only to the banks which are members of the system, but to every other bank as well. It is essential to the whole economic fabric of the country--industrial and commercial as well as financial."

A BANKER ON FARM SITUATION

Fundamental agricultural improvement, both in respect of the current crop situation and in connection with permanent technical conditions, have put the American farmer in a more hopeful state of mind than he has been in for years, D. H. Otis, agricultural director of the American Bankers Association, told the meeting of its Agricultural Commission at Atlantic City, to-day. "The condition of the farmer is most encouraging," Mr. Otis said. "With no large surpluses, with good crops and fair prices, and with the return of a parity between the products of agriculture and the products of industry, the farmer is more hopeful than he has been for years. One of the especially encouraging features is the improvement in the cattle situation. With the surplus removed and the demand increasing, the cattle man is looking forward to a well deserved return of prosperity. Farmers all over the country are gradually improving their type of farming, diversifying their crops, producing more of their own living on the farm and increasing the productive hours of labor. All of these point to a materially improved condition of the farmer, and with the return of his purchasing power, the outlook is also good for other business."

Section 2

Agricultural Legislation

An editorial in The Journal of Commerce for September 28 says: "A western Senator who has been noted for his adherence to the Progressive party has reported to the administration that farm conditions have improved so greatly that the 'need for emergency legislation' has passed. Congress may now, according to him, devote its time to the development of cooperative marketing, which in his opinion will be about the most effective line of work that can be pursued for the sake of the farmer. Conditions in the West are reported very encouraging and the farmer is said to feel reasonably well satisfied with the outcome....The 'emergency legislation' already passed by Congress within the four years since 1921 is generally admitted to have had not the slightest effect upon the farmer or his welfare. Emergency tariff bills did not raise his prices but if anything depressed them, and emergency finance neither increased the amount of his credit nor resulted in giving him a safe and sound banking system. Bank failures in the farming regions have been wholly unprecedented in number and severity, and they could scarcely be regarded as showing very great improvement even at the present time. Certainly no more emergency legislation of this kind is needed--in that we may agree with the western farm representatives. But what is to be expected from cooperative marketing legislation? Cooperative associations are organized under State law and our current State legislation on that subject is the most liberal in the world to-day. Congress has freed such associations of all control through anti-trust or other supervisory measures; they are at liberty to do anything they please or to make any contracts they please so long as they live up to the ordinary elementary requirements of business honesty. Even the President's Agricultural Commission of last year could recommend nothing except a vague bill providing for a kind of Federal authentication or recognition of these associations which would in no way have increased their actual liberties or powers. The time has come to stop the morbid type of farm psychoanalysis and to get back to real facts. The farmer needs relief from present high costs and for many products he needs better foreign markets. He needs more and better railroad facilities, better communication, better storage facilities and better protection against bank failure. All these things are well within the province of Congress and can be in due time provided for by appropriate legislation. Why not make a beginning now instead of waiting for the development of more 'unrest' and more futile emergency legislation?"

Agriculture in Illinois Schools

Vocational agriculture departments have had a steady growth in Illinois since the establishment of the plan for reimbursement from State and Federal funds, says a report issued by the State Department of Public Instruction. Last year, the report shows, there were 3,279 students enrolled in the vocational agriculture classes and 1,090 in the special winter short courses. During the year 1923-1924 there were 137 different high schools in the State offering vocational agriculture, while for the fiscal year 1924-1925 there were 144 schools. The steady increase in the number of schools which have added departments of vocational agriculture is cited as an indication of the value of the work to the rural communities. Practically all of the organized instruction in agriculture in the secondary schools of Illinois is being taught now as outlined in the plans for vocational agriculture. (Press, Sept. 27.)

British Ministry of Agriculture Expenditures

An editorial in The Field (London) for September 17 says: "The Select Committee on Estimates have recently subjected the estimates of the Ministry of Agriculture and Fisheries to searching examination with the object of seeing if any financial economies can be effected to aid in

reducing national expenditure. On the face of it the Ministry of Agriculture offers a most promising field for such a committee to work in. This year the department expects to spend 2,840,386 pounds as compared with 264,312 pounds spent in 1913-14. In other words, for every pound the Ministry spent before the war it now spends nearly eleven pounds. It is interesting to follow the committee in their inquiry and see how far this extra annual expenditure of two-and-half million pounds is justified. Since 1913-14 nine new departments have been organized in the Ministry. These deal with agricultural wages, markets, land drainage, the Seeds act of 1920 and two or three smaller matters. The select committee note that the additional expenditure necessitated by the working of the Agricultural Wages act amounts to 42,158 pounds this year; they recommend that the [illegible] allowances paid to members of wages boards should be reduced to bring them into line with similar allowances paid by other government departments. But the main increase in expenditure over the pre-war figure is found under three heads--land settlement undertakings under the act of 1919, the development of research and education, and the beet sugar subsidy. The capital invested in settling some 30,000 ex-service men and their families on the land has been about 15,000,000 pounds or about 60 pounds an acre; in addition the Ministry has spent 4,000,000 pounds since 1919 in making good the subsequent losses of county councils on their smallholdings estates. When these estates are finally handed over to the county councils on March 31, 1926, at their actual economic value, it is estimated that a further loss of 6,000,000 pounds will fall on the Ministry, partly attributable to over capitalization of the holdings. Thus the approximate total loss at March 31, 1926, is expected to work out at about 38 pounds per acre and over 550 pounds per tenant. Under the act of 1919 the ministry has also engaged in direct farming operations, and these ventures have proved expensive. The venture which has come in for most criticism is the profit-sharing farm at Patrington in East Yorkshire. So far there have been no profits to share, but the ministry contends that 'apart from the cost of it, it has been a very successful piece of work as a piece of practical land settlement. There is a very much larger population on the land than ever was employed before, living in good conditions, in decent houses and with decent wages.' From all reports Patrington is certainly a notable attempt at rural repopulation....The committee also closely investigated the ministry's expenditure on education and research. The total estimate under this head is 647,570 pounds for 1925-26 as compared with 64,338 pounds for 1913-14. A large part of this money is expended on the salaries of county organizers and scientists for whose services to farmers there is generally no charge. The committee say that they are not satisfied that adequate efforts are being made to obtain from the industry payment for the important services which are rendered to it. It may be pleasing for the farmer, as such, to note that the Government department with which he is most intimately concerned has come through this examination with flying colors, but as a taxpayer he will not be so well pleased. The Select Committee on Estimates sum up by reporting that 'they feel that the administration of the ministry is efficient and that the enormous increase in expenditure since 1914 is due to a line of policy imposed upon the ministry by Parliament, for which the ministry can not be held responsible.'"

Chicago Board of Trade

An editorial in The Northwestern Miller for September 23 says: "Chicago's commanding position as the world's greatest grain market is and doubtless will long remain unchallenged. Other great markets, save perhaps Liverpool, are local to the countries in which they are located....

To the maintenance of this dominant position in the world's grain trade there attaches a proportionate responsibility. The Chicago Board of Trade exists, not as a private enterprise conducted to enable its members to make money, but as an administrative body rendering a public service. If at any time it should cease to furnish that service or prove untrue to the trust placed in it, public confidence would be lost and another way would be found to conduct the world's commerce in grain....With increased knowledge of marketing methods it has, in more recent years, become apparent that every dollar of loss through disturbance of normal good order in price movements must, sooner or later, be paid by the producer or the consumer. Erratic price changes, reflecting the operations of gigantic speculative campaigns rather than the fair influences of supply and demand, have been found to be uneconomic and against the public welfare. Resentment of them and of conditions growing out of them is more or less directly responsible for the blind and frequently stupid efforts to create new methods based on idealism, taking form in pools, cooperative associations and similar ventures. It would, of course, be unfair to hold the Chicago futures market responsible for all of the protest against the present system of handling grain. It is not unfair, but in direct accord with facts, to hold that much criticism is due to the fact that the machinery of the Chicago Board of Trade makes possible the speculations of the Cuttens, Pattens and Livermores, and that these operations are subversive of commercial good order and sound economics. So long as this misuse remains possible the Board of Trade must accept credit for being the world's most wonderfully constructed marketing mechanism and censure for maintaining one of commerce's most disturbing elements....Government authority should have little or no place in the equation. The dominant consideration should be preservation of Chicago's uncontested position as the world's greatest open market, with full knowledge of the fact that no market is free which at times comes under complete dominance of one man or group of men whose single aim is to disrupt normal commerce to secure taste of power and money profit. The question should not be one of Chicago yielding to pressure, but of Chicago proving worthy of public confidence. It is not necessary to reconstruct. Amendment is sufficient, and the way to accomplish it is not difficult. That is proved by the beginning already made."

Cooperation An editorial in The Country Gentleman for October says: "The revival period in farm cooperation is over. And, as a wise old deacon observed, 'When the revival is done the real tussle begins, for you've got to depend on works instead of enthusiasm then.' Cooperation has three elements to fear--its unwise friends who may hobble it with laming Federal or State legislation; members whose loyalty is the hard-times kind; and lastly its own mistakes. Neither Federal supervision nor direction is needed by cooperative organizations. The inevitable end of such experiments is bureaucratic control that hampers rather than helps. If a bill proposing to license and supervise cooperative efforts is again introduced into Congress it should be beaten. The only legislation cooperation needs State or National--is enough to clear the way for it to operate with the same rights as any other legitimate business.....Cooperative marketing is needed most because the base of farm profits has shifted. Once it lay in land values. Now it must be found in farm products. Cooperative organization represents an effort to accommodate the marketing system to the farmer's own interests. It is the only practical means yet devised for extending the farmer's bargaining power beyond the loading point.....A lot

remains to be learned. Some two hundred men, already better versed in cooperation than the average, discussed its benefits and its weaknesses with many of the cooperative leaders during the month-long session of the first American Institute of Cooperation, and the conclusion they reached, as expressed by one man, was that 'it's a vastly bigger and more complicated business than I had imagined. We've all got a long way to go yet before we can measure its possibilities.' When sinners are hitting the sawdust trail no one can tell how many will stick fast in hours of trouble and temptation. But when they fall it is no fault of the faith. Nor is the cooperative principle at fault if members drop away now that the hurrah days of revival are behind us. The idea is still the best devised for steady farming progress. The real tussle has just begun."

Cooperation Limitations An editorial in The Indiana Farmers' Guide for September 26 says: "Walton Peteet has named 10 things that agricultural cooperation can not do, and these 10 are worth repetition here. Mr. Peteet explains that he does not like the negative attitude in discussing cooperation. It is true that most of his speeches have been made from the positive, and he has been one of the most influential men in the cooperative movement. He has been frank, courteous and fair, When he takes the negative side, showing what cooperation will not do, after years spent telling what it will do, he deserves very close attention. The 10 negatives as given in Mr.Peteet's speech at Stillwater, Oklahoma, follow: '1. A cooperative can not monopolize supply and arbitrarily fix high prices. 2. A cooperative can not make a good farmer out of a poor one. 3. A cooperative can not sell at prices which will equal cost of production plus a profit to all its members. 4. Cooperatives can not sell bumper crops for as high unit prices as small crops. 5. A cooperative can not make its pool prices higher than occasional sales by nonmembers. 6. A cooperative can not pay its members "all at once"; 7. A cooperative can not operate without troubles and difficulties. 8. Cooperative marketing can not eliminate all middlemen. 9. A cooperative with only a small percentage of the total supply can not be a dominant market factor. 10. A cooperative can not accomplish all its aims and purposes at once.'"

Cotton Exports An editorial in The Wall Street Journal for September 28 says: "It is reported by the Department of Commerce that in August the value of raw cotton exports was $41,494,061, against $40,670,586 a year ago. These figures emphasize the large part cotton plays in our foreign affairs and in our exchange transactions. In the fiscal year ending in June all exports and re-exports amount to $4,864,832,000. Of this total, domestic agricultural products amounted to $2,436,205,000. Our farmers, therefore, have a full half interest in the country's foreign trade. Economically they have more, because a larger percentage of their production goes to foreign markets. Value of raw cotton exports in the year were $1,060,885,562, or 43% of the total agricultural exports. The cotton farmers, whether they realize it or not, are vitally interested in everything that affects the United Kingdom, France, Germany or any other foreign country. The exchange value of the Polish zloty, or the Japanese yen, is quickly translated into the prices they receive for their cotton. Our export balance in the last fiscal year was $981,000,000. This was less than the exports of raw cotton, but it can not be said that cotton itself gave us the export balance, any more than it is true to say that one wheel of a watch is any more important than another. But at least cotton is the biggest wheel in our foreign trade machine. It is reassuring to business to know that in the new fiscal year the wheel is functioning steadily. The August return shows an increased foreign demand for

cotton, while unofficial reports show that from the first day of August, which is the beginning of a new crop year, to the 18th of September exports of cotton in volume were 15.5% larger than last year. Any economic improvement in foreign countries is sure to be quickly reflected in the demand for American cotton. It is a fair inference that in the present fisdal year raw cotton will do its full share in swelling our export balance and maintaining our foreign exchange."

Section 3

MARKET QUOTATIONS

Farm Products

September 28: Chicago hog prices closed at $13.90 for the top; bulk $12.25 to $13.60; beef steers (1100-1500#) choice $14.75 to $16.50; good $10.50 to $15; heifers, good and choice $7.50 to $12.50; common and medium $5.00 to $8; cows, good and choice $5.75 to $9.50; canners and cutters $3 to $3.75; vealers, medium to choice $9.50 to $13; heavy calves, medium to choice $5. to $7.50; stocker and feeder steers, common to choice $5.25 to $9; fat lambs (light and handyweight) medium to choice $13.75 to $15.50; yearling wethers, medium to choice $9.25 to $12.50; fat ewes, common to choice $4.50 to $8.25; feeding lambs, medium to choice $13.75 to $15.75.

New York and Pennsylvania sacked Round White potatoes mostly $2.10 to $2.15 per 100 pounds in eastern cities; $1.90 to $1.95 f.o.b. Rochester Virginia Sweet potatoes advanced 50¢ to $1. Yellow varieties closed at $4.50 to $5 per barrel in city markets; $4.25 to $4.50 f.o.b. Eastern Shore points. New York Wealthy apples $1 to $1.25 per bushel basket; Northwestern Greenings and Kings $4 to $4.50 per barrel. Delaware Grimes, fancy, at $5. Illinois Jonathans $6 to $7 in Chicago. Domestic type cabbage ranged $15 to $25 bulk per ton in eastern markets and $8 to $12 f.o.b. Rochester. New York Elberta peaches dropped 25 to 75¢ per bushel basket in most consuming centers, wholesale prices on this variety ranged $1.50 to $2.50.

Closing prices on 92 score butter: New York 51¢; Chicago 50¢; Philadelphia 52¢; Boston 51¢.

Grain prices quoted September 28: No.1 dark northern Minneapolis $1.34 to $1.56. No.2 red winter St. Louis $1.58. No.3 red winter Chicago $1.55. No.2 hard winter Chicago $1.41 to $1.42; St. Louis $1.52. No.2 mixed corn Chicago 78 1/2 to 79 1/4¢; St. Louis 79 to 79 1/2¢. No.2 yellow corn Chicago 78 3/4 to 79 1/2¢; St. Louis 82¢. No.3 yellow corn Chicago 77 3/4 to 78 1/2¢; Minneapolis 73 1/4 to 74 1/2¢. No.3 white corn Chicago 77 3/4 to 78 1/4¢; No.3 white oats Chicago 36 3/4 to 39 3/4¢; Minneapolis 33 1/4 to 33 3/4¢; St. Louis 39 to 39 1/2¢.

Middling spot cotton in 10 designated spot markets declined 29 points, closing at 23.17¢ per lb. New York October future contracts declined 15 points closing at 23.46¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 28,	Sept. 26,	Sept. 27, 1924
20 Industrials	144.15	144.26	103.98
20 R.R.stocks	102.88	103.31	90.53

(Wall St. Jour., Sept. 29.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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THE INDEPENDENT BUREAUS

An Associated Press report to-day says: "The independent bureaus and commissions of the Government, in the opinion of President Coolidge, should be placed under the administration of Cabinet officers so far as possible, although he recognizes that there would be exceptions worthy of consideration. So far as grouping of the independent agencies is concerned, the President favors some such system as proposed in the Smoot reorganization bill in the last Congress, and he is hoping that the measure may yet be adopted. The President believes, however, that unless some of the bureaus should be abolished, virtually the same personnel would be required for their activities, no matter how consolidated."

LONDON EXTENDS CATTLE EMBARGO

Great Britain has extended its embargo on imports of live-stock, hay and straw to include New Mexico, Colorado, Kansas, Oklahoma, Arkansas, Louisiana and California, for fear of infection of foot and mouth disease now prevalent in a section of Texas, the Commerce Department reported September 29. An embargo was placed against Texas by Great Britain several weeks ago.

BANKERS TO ENDOW RESEARCH SCHOLARSHIP

An Atlantic City dispatch to the press to-day reports: "The establishment of a $500,000 fund, almost half of which was subscribed at once, to endow 100 scholarships in economics in the colleges of the United States, and enthusiastic reception of a proposal that the bankers of the country support a nationwide educational movement to dispel poverty and old age dependence by teaching systematic saving and investment, were the contributions to the country's general welfare with which the American Bankers Association celebrated at Atlantic City yesterday its golden anniversary."

NEW ARMOUR GRAIN HEAD

A Chicago dispatch to the press to-day states that George E. Marcy resigned yesterday as president of the Armour Grain Company, and will become chairman of the board. He will be succeeded by John Kellogg, who has been vice president since 1916.

AGRICULTURAL MART APPROVED

An Associated Press dispatch from New York to-day says: "President Coolidge and Secretary of Agriculture Jardine have approved plans of the American Agriculture Mart to erect a $30,000,000 headquarters in Chicago, Lawrence H. Whiting, head of the mart, announced yesterday upon his arrival from Washington, where he had conferred with them on the project. While the Government is not directly interested in the project, Mr. Whiting said, both the President and Secretary Jardine consider it a step toward bettering conditions for the farmer throughout the United States. The new building will be ready early in 1928, and will serve as headquarters for ninety-six different divisions of the agricultural industry. It will contain 3,000,000 square feet of floor space and a convention hall seating 25,000."

Section 2

Cocoa Exchange To Open

Formal opening of the New York Cocoa Exchange, Inc., will take place tomorrow as an adjunct of the New York Coffee and Sugar Exchange. William Bayne, Jr., for three terms, president of the Coffee and Sugar Exchange, will address the members and guests on the safeguards and benefits that a properly conducted exchange offers to the producers, manufacturers and operators in an important commodity. (Press, Sept. 28.)

Forestry

"A Forest-Wise Nation" is the title of an article reviewing the forestry situation in the United States, by Charles Lathrop Pack, president of the American Tree Association, in The American Review of Reviews for October. Mr. Pack closes his article as follows: "Thus we have the several States attacking their varied problems. They are being urged on and aided by the Federal Government. Fundamentally, however, they are progressing in proportion to the articulate public sentiment within their borders. Some need more education before real achievement will come. Nevertheless those who have espoused the forestry cause, the editors of the Nation, the enlightened timberland owners and the many who early understood and talked the story of forestry, have real reason to be pleased at the progress made in the half century since the declaration of economic independence in that two-thousand-dollar appropriation by Congress in 1876."

Freight Rates

An editorial in The American Review of Reviews for October says: "It is not sound policy from any standpoint to force the railroads to do long-haul business in agricultural products at unremunerative rates. The farming West can never grow at once rich and stable if it keeps its eyes fixed upon distant markets. Prosperity for farmers is to be found at home, rather than at the end of the rainbow. Massachusetts may not like to see the shoe industry move so fast to centers beyond the Mississippi River, but this is the thing that the Western States should encourage. They should import industries, and export less wheat and meat. Freight rates at a profitable level will enable the railroads to give better service and to extend their branch lines. Rates suitably balanced will revive eastern agriculture, while building up local markets for the farmers of the West. Just now there is a movement for bringing together the stockholders of a number of great western railroad systems to support the demand for increased rates, in order to keep other lines from falling into the bankruptcy that has overtaken the great Chicago, Milwaukee and St. Paul system."

German Agriculture Reported Facing Trouble

A Berlin dispatch to the press of September 26 says: "German agriculture is facing a catastrophe which even America's loan to the agrarians, assured by the National City Bank of New York through the Rentenbank, can not avert, according to Count Kalckreuth, president of the German Farmers' Union. Further loans will delay but can not prevent the collapse, he says. As reasons for predicting the disaster, Count Kalckreuth cites the present obligations of the farmers, amounting to nearly $500,000,000, high Reich taxes and the general inability of German agriculturists to show fair profits even under conditions unhampered by debts and taxes. Count Kalckreuth figures that the recent loan of $25,000,000 from America, though bearing only 7 per cent interest, will cost the farmers 11½ per cent, counting expenses incident to the loan transaction....."

Grape Shipments With the prospects of fruit and vegetable shipments reaching high levels this year the Atlantic States Shippers' Advisory Board, in conjunction with E. J. Cleave, New York District Manager of the American Railway Association, has appointed twenty-five terminal committees in the key cities of the Eastern Atlantic States. These committees are composed of representatives in the trade and on the railroads. They receive daily reports from each railway agent of delayed cars, either full or empty, and ascertain whether the fault lies with the consignee or the carrier. "Heavy shipments of grapes which are now coming to the local market," said F. W. Heggeblade, general chairman of the Fresh Fruit and Vegetable Committee of the board, "present the most difficult angle of the present situation. Shipments of other perishables have passed the peak, but the Fall movement of California grapes has been getting heavier every year since the prohibition amendment was enacted. Shipments this year out of California up to September 19 have totaled 19,832 cars, or about 1,500 cars less than the corresponding period of last year. A very large crop was expected, but the sun and other conditions have somewhat curtailed shipments. However, we expect total shipments will equal the 55,000 carloads of 1924, which were the greatest on record." (N.Y.Times, Sept.27.)

London Bread Prices A London dispatch to the press of September 28 states that the Food Council has unanimously adopted the report of its executive committee recommending a reduction in the price of bread. It is understood the council felt that where the price of bread was as high as 10 pence a quarter loaf, a reduction of 1 penny could reasonably be made and still allow a fair trading profit. The London Master Bakers' Association, it is learned, has decided to reduce the price of bread to 9½ pence per quarter loaf from September 28.

Lowden on Farming Nothing could be further from the truth than claims that the increase in the farmer's net income of the past year was proof "that the situation upon the farm was righting itself", Frank O. Lowden, former Governor of Illinois, told the American Bankers Association Convention at Atlantic City to-day. Only by organization within itself for the marketing of products and for other common ends could agriculture cure the economic ills that still afflict it, regain its rightful place in a highly organized world and restore the proper balance between itself and other business activities, he said. "Though farm conditions are somewhat better than they have been in recent years", Mr. Lowden said, "they by no means assure the future of the industry. The farm problem is not solved. It will be well for us if we recognize this fact." Asserting that agriculture is sadly out of gear with the other parts of the economic structure, Mr. Lowden said that, in an era in which progress is attained only through organization, the farmer has been the last to realize the value of organization for its own sake. "In all other fields of commerce, unrestricted, free and open competition in the marketing of products has been gradually disappearing", he continued. "In all other industries there has been a growing tendency to stabilize prices, largely through the organization of a few great corporations which have taken the place of innumerable smaller independent units. In agriculture alone have the methods of marketing made no improvement, except as to the sale of those products which are now being marketed through cooperative associations." In urging organization for farmers, Mr. Lowden said he did not mean that they should operate their farms through corporate management, but should work together for the

solution of problems concerning the marketing of their products and the restoration of the proper relationship between the prices they receive for their products and the prices they pay for other commodities. "Cooperative farm marketing associations are no longer an experiment", he said. "Wherever cooperatives have been employed, there you will find agriculture in its best estate. The farms are better improved and are kept in a higher state of cultivation and repair. I can foresee the day when everything produced upon the farm for market will be marketed by the farmers themselves through an organization of their own creation."

Population and Food Supply "When the World Will Starve" is the title of an article by Vilhjalmur Stefansson in The World's Work for October. In this the author semi-humorously refutes the Malthusian doctrine that population would outrun food supply, providing interesting facts and figures for his argument. He says in part: "It has been noticed that if you ignore both immigration and emigration, considering only excess of births over deaths, the various peoples are increasing less and less rapidly. It is therefore logical to suppose that total world population may next time take more than a century to double twice over. Let us be conservative and say it will be able to double only half that often, or once per hundred years. That's a nice round figure, 100 per cent increase in 100 years. On the basis of that we shall arrive at some fairly interesting comparative conclusions about the various schemes for increasing the food of the world, and about how many years each scheme is good for in warding off Malthusian world starvation. Some thirty years ago the United States Bureau of Education had the wisdom to import 1,280 reindeer from Siberia into Alaska. These have doubled every three years since then, so we now have more than 300,000, although 150,000 have been butchered for food meantime. Under the new policy of the United States Department of Agriculture, this is fast developing into an export business, and reindeer meat is now served in some of the best restaurants and hotels of New York, Chicago ,and other large cities.....With the growth of population and the increasing pressure on food supply, all land capable of producing vegetable foods for direct consumption will have to be gradually converted from stock ranching to cereals, orchards, and market gardens. Range cattle are doomed in the comparatively near future (within, say, a hundred years) because the land on which they graze is capable of producing corn or apples, and more valuable if so used. But, so far as the modern agriculturalists can see, there is no food plant suitable for direct human consumption that can grow in the lands north of the forests where the reindeer are native. The reindeer is, therefore, the one animal already domestic that can save the world from compulsory vegetarianism.....We come now to a vastly more important development, on the threshold of which it is well known that we stand today, after having foreseen it for several generations. We can already make out of the air certain foods that are suitable for direct human consumption. Not only can we make the nutriments; we can make the flavors as well. We do not know how soon it will be that we can begin to make carbohydrates as cheaply in a factory as we now make them in a garden, but few chemists of standing doubt that the time will come. Then we shall have a practically unlimited food supply. If these triumphs materialize, we shall be no longer faced with the Malthusian question of 'When are we going to starve to death?' But we shall be faced with an equally important, if more remote, problem: How soon will there be standing room only on the earth?"

Swiss to Raise Silver Foxes

As a result of the return to Switzerland of a Swiss who had noted the success of some of the fox-breeding farms in America, a company has been organized to start a silver-fox farm in Klosters, near Praetigau, says a report in the Innsbrucker Nachrichten. Fifty pairs of silver foxes are to be imported from America in November, and the farm is to be managed by the returned emigrant. (Phila. Ledger. Sept. 28.)

Section 3

Department of Agriculture

1 An editorial in The Journal of Commerce for September 28 says: "Instead of quieting, as it so often has in the past on similar occasions, criticism directly against the recent cotton report is evidently increasing in severity. This is shown not only by the protests that have been filed with the Federal Government but also by the outspoken attitude of a good many important elements in the cotton trade. Dissatisfaction with the Department of Agriculture has quite evidently reached the boiling point, although returns received by authoritative observers seem in some cases to support the Government. It is not strange that this should be true. Unrest has been slowly rising during the past two seasons and has been made more active by occasional reports of so remarkable a character that they attracted keen interest and attention. It may not be true, as is charged by one of the southern pro-cotton critics, that irregularities are to be suspected, but it is certainly true that either lack of efficiency or indifference has vitiated the work of the bureau on crop estimates or, as an alternative, that the system of gathering data has deteriorated instead of being improved. The main point is that it is high time to bring about a complete revision of the old system of reporting."

2 An editorial in The Wall Street Journal for September 29 says: "When on September 23 the Crop Reporting Board estimated the cotton at about 200,000 bales more than in its preceding report, it needed no weather bureau to forecast a coming storm. The storm quickly developed, and receiving a generous addition of congressional windblowing, now equals a Caribbean typhoon. In fairness to the Crop Reporting Board, a few facts should be submitted. Through the courtesy of the Department of Agriculture, a representative of The Wall Street Journal was permitted last October to see how a crop report is made up. For a full day preceding the making of the report he was given the freedom of the department in order to learn the details of the statistical work. On the following day, he was locked in a room with the board to watch the method of making up the cotton crop 'condition' report. A full description of this work was published in these columns on October 23, 1924. A reading of that article should disabuse any candid mind of the impression that the board is influenced by outside interests or that it does not correctly interpret the crop conditions. It should be distinctly understood that the information on which the board bases its estimate is furnished by southern reporters familiar with cotton. These include bankers, factors, farmers, ginners and others interested in cotton, who are known to be men of probity and veracity." After a detailed description of the methods employed by the board in making up its reports and estimates, the editorial concludes: "So the reports and estimates published by the Crop Reporting Board are never the opinions of that board. They are a consensus of the personal observations of some thousands of men in every cotton State and covering every county and township. After the official estimate is made those reports are open to public inspection. An impartial critic, instead of criticising the board, should examine all those reports and find if there

be any error in any of them. This is without prejudice to the belief here held and already expressed that the final crop will be rather less than 13,500,000 bales."

Section 4
MARKET QUOTATIONS

Farm Products

Sept. 29: Chicago hog prices closed at $13.70; bulk of sales $11.90 to $13.40; beef steers choice, $14.75 to $16.50; good $10.50 to $15; heifers, good and choice $7.60 to $12.50; common and medium $5 to $8; cows, good and choice $5.75 to $9.50; vealers, medium to choice $9.50 to $13.25; heavy calves, medium to choice $5 to $7.50; stocker and feeder steers, common to choice $5.25 to $9; fat lambs, medium to choice $14 to $15.75; yearling wethers, medium to choice $9.75 to $12.75; fat ewes, common to choice $4.50 to $8; feeding lambs $13.75 to $15.75.

New Jersey yellow sweet potatoes ranged $2 to $2.35 per bushel hamper in a few eastern cities. New York Elberta peaches in bushel baskets brought $1.75 to $2.50 in leading markets. New York yellow onions ranged $2 to $3 per 100 pound sack in eastern cities and $2 to $2.25 f.o.b. Rochester. New York domestic type cabbage $15 to $25 bulk per ton in eastern consuming centers and $10 to $12 f.o.b. Rochester. New York Wealthy apples sold at $1 to $1.25 per bushel basket in leading markets; 90¢ to $1 f.o.b. Rochester. Maine sacked Irish Cobbler potatoes ranged $2 to $2.45 per 100 pounds in eastern cities; bulk stock mostly $1.60 f.o.b. Presque Isle.

Grain prices quoted September 29: No.1 dark northern Minneapolis $1.41 to $1.67. No.2 red winter Chicago $1.57; St. Louis $1.57 to $1.60; Kansas City $1.59 to $1.60. No.2 hard winter Chicago $1.41 1/2; St.Louis $1.48 to $1.50; Kansas City $1.48 to $1.55. No.2 mixed corn Chicago 79 1/2 to 80 3/4¢; Kansas City 81¢. No.2 yellow corn Chicago 81 to 81 1/2¢; St. Louis 82¢; Kansas City 83 1/2¢. No.3 yellow corn Chicago 80 1/4 to 80 3/4¢; Minneapolis 79¢ to 79 1/2¢. No.2 white corn Chicago 80 1/2 to 81 1/4¢; St. Louis 82¢. Kansas City 82 to 83¢. No.3 white oats Chicago 37 3/4 to 39¢; Minneapolis 34 3/4 to 35¢; St. Louis 39 1/2 to 40¢. No.2 white oats Kansas City 39 1/2¢.

Middling spot cotton in 10 designated spot markets declined 24 points, closing at 22.93¢ per lb. New York October future contracts declined 21 points, closing at 23.25¢.(Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 29,	Sept. 28,	Sept.29,1924
20 Industrials	145.06	144.15	102.96
20 R.R. stocks	103.04	102.88	89.99

(Wall St. Jour., Sept. 30.)